



INDIABULLS REAL ESTATE LIMITED

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Indiabulls Real Estate Limited (the “**Company**” or “**Issuer**”) was incorporated as Indiabulls Real Estate Limited, under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 4, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi (“**RoC**”) and commenced its business on May 24, 2006 pursuant to a certificate of commencement of business issued by RoC. For further details, see “General Information” on page 242.

Our Company is issuing 85,559,435 Equity Shares (as defined below) at a price of ₹101.10 per Equity Share (the “**Issue Price**”), including a premium of ₹ 99.10 per Equity Share, aggregating to approximately ₹8,650.06 million (the “**Issue**”). For further details, see “Summary of the Issue” on page 36.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) AND SECTION 42 OF THE COMPANIES ACT, 2013, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”) AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE “COMPANIES ACT”)

The equity shares of our Company having a face value of ₹2 each (the “**Equity Shares**”) are listed on National Stock Exchange of India Limited (“**NSE**”) and BSE Limited (“**BSE**”), together with NSE, the “**Stock Exchanges**”). The closing price of the outstanding Equity Shares on BSE and NSE as on April 6, 2022, was ₹115.80 and ₹115.85 per Equity Share, respectively. In-principle approvals under Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”), for listing of the Equity Shares to be issued pursuant to the Issue have been received from BSE and NSE on April 7, 2022. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

Except for this Placement Document, the information on our Company’s website or any website directly or indirectly linked to our Company’s website or the websites of the Book Running Lead Managers (as defined hereinafter) and their respective affiliates or agents does not form part of this Placement Document, and prospective investors should not rely on such information contained in, or available through, such websites for their investment in this Issue. A copy of the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of this Placement Document (which includes disclosures prescribed under Form PAS-4) has been delivered to the Stock Exchanges in due course. Our Company shall also make the requisite filings with the RoC, within the stipulated period as prescribed under the Companies Act and the Companies (Prospectus and Allotment of Securities) Rules, 2014, each, as amended. This Placement Document has not been reviewed by SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THE ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE COMPANIES ACT, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION “RISK FACTORS” ON PAGE 40, BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT. PROSPECTIVE INVESTORS OF THE EQUITY SHARES OFFERED SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT AND/OR THIS PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue has only been made pursuant to the Preliminary Placement Document and this Placement Document and the Confirmation of Allocation Note (as defined hereinafter). For further details, see “Issue Procedure” on page 196. The distribution of this Placement Document or the disclosure of its contents without our Company’s prior consent, to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and may not be offered or sold within the United States (as defined in Regulation S (“**Regulation S**”) under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in an “offshore transaction” (as defined in Regulation S) in reliance on Regulation S. For a description of the selling restrictions in certain other jurisdictions, see “Selling Restrictions” on page 210. The Equity Shares are transferable only in accordance with the restrictions described in “Purchaser Representations and Transfer Restrictions” on page 218.

This Placement Document is dated April 12, 2022.

BOOK RUNNING LEAD MANAGERS		
		
Axis Capital Limited	IIFL Securities Limited	Jefferies India Private Limited
		
JM Financial Limited	SBI Capital Markets Limited	

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company, Subsidiaries and the Equity Shares, which is material in the context of the Issue. The statements contained in this Placement Document relating to our Company, Subsidiaries and the Equity Shares are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company, Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company and Subsidiaries. There are no other facts in relation to our Company, Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company, our Subsidiaries nor the BRLMs have any obligation to update such information to a later date.

The information contained in this Placement Document has been provided by our Company and other sources identified herein. The BRLMs have not separately verified all of the information contained in the Preliminary Placement Document and in this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLMs nor any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLMs and/or any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in the Preliminary Placement Document and in this Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Company, our Subsidiaries and the Equity Shares. Each person receiving this Placement Document acknowledges that such person has not relied either on the BRLMs or on any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company, our Subsidiaries and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or by or on behalf of the BRLMs. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares to be issued pursuant to the Issue have not been approved, disapproved, registered or recommended by the U.S. Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-U.S. jurisdiction or any other U.S. or non-U.S. regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares to be issued pursuant to the Issue have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs specified by the BRLMs or their representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Placement Document or any documents referred to in this Placement Document. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Placement Document and the issue of Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the BRLMs that would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document, this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 210 and 218, respectively.

In making an investment decision, the prospective investors must rely on their own examination of our Company, our Subsidiaries, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of the Preliminary Placement Document and this Placement Document as legal, business, tax, accounting, or investment advice and should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, our Company and the BRLMs are not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company.

Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority from buying, selling or dealing in securities including the Equity Shares. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

Our Company and the BRLMs are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document and in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Regulations and the QIB shall be solely responsible for compliance with the provisions of the Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document.

The information on our Company's website, viz., www.indiabullsrealestate.com, any website directly or indirectly linked to the website of our Company or on the website of the BRLMs or any of their respective affiliates or agents, does not constitute nor form part of the Preliminary Placement Document and this Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites.

The Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

REPRESENTATIONS BY INVESTORS

References herein to “you” or “your” is to a prospective investor in the Issue. By Bidding for and/or subscribing to any Equity Shares in the Issue, you are deemed to have represented, warranted, acknowledged, and agreed to contents set forth in the sections “*Notice to Investors*”, “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 4, 210 and 218, respectively and have represented, warranted and acknowledged to and agreed to our Company and the BRLMs, as follows:

- You are a “qualified institutional buyer” as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act (as defined hereinafter), and all other applicable laws; and (ii) comply with the SEBI ICDR Regulations, the Companies Act and all other applicable laws, including any reporting obligations, making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;
- You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;
- If you are not a resident of India, but are an Eligible QIB, you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Placement Document and have a valid and existing registration with SEBI under the applicable laws in India, and can participate in the Issue only under Schedule II of FEMA Rules. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities or otherwise accessing the capital markets;
- You are aware that in terms of the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. Since FVCIs and non-resident multilateral or bilateral development financial institution are not permitted to participate in the Issue, you confirm that you are neither an FVCI nor a non-resident multilateral or bilateral development financial institution;
- If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India and are eligible to invest in India under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets;
- You will provide the information as required under the provisions of the Companies Act, the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and any other applicable rules for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;
- If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the Stock Exchanges. Further, additional restrictions apply if you are within the United

States and certain other jurisdictions. For further details in this regard, see “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 210 and 218, respectively;

- You are aware that the Preliminary Placement Document and this Placement Document has not been and will not be filed as a prospectus with RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. The Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4) has not been and will not be reviewed or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;
- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and Rule 6 of the FEMA Rules;
- The Preliminary Placement Document, and this Placement Document have been filed, with the Stock Exchanges for record purposes only and the Preliminary Placement Document has been and this Placement Document have been displayed on the websites of our Company and the Stock Exchanges;
- You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in the Preliminary Placement Document and in this Placement Document), and will honour such obligations;
- You are aware that, our Company, the BRLMs or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLMs. The BRLMs or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;
- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the “**Company Presentations**”) with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLMs may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLMs have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;
- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information relating to our Company or our Subsidiaries, which is not set forth in the Preliminary Placement Document and this Placement Document;
- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;
- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;
- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, or Subsidiaries’, financial position, business strategy, plans and objectives

of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company or Subsidiaries' perspective present and future business strategies and environment in which our Company or Subsidiary will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Neither our Company nor the BRLMs or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;

- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category other than Eligible QIBs, and the Allotment of the same shall be at the discretion of our Company, in consultation with the BRLMs;
- You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;
- You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;
- You have been provided a serially numbered copy of the Preliminary Placement Document and this Placement Document and have read it in its entirety, including in particular, "*Risk Factors*" on page 40;
- In making your investment decision, you have (i) relied on your own examination of our Company, our Subsidiaries and the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and continue to make your own assessment of our Company, Subsidiaries and the Equity Shares and the terms of the Issue based solely on and in reliance of the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company, our Subsidiaries and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;
- Neither our Company nor the BRLMs nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the BRLMs or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the BRLMs or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the BRLMs or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute.

You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

- If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts;
- You are not a ‘promoter’ (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to our Promoter, either directly or indirectly and your Bid does not directly or indirectly represent our ‘Promoter’, or ‘Promoter Group’ (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;
- You have no rights under a shareholders’ agreement or voting agreement with our Promoter or members of the Promoter Group or persons related to the Promoter, no veto rights or right to appoint any nominee director on our Board, other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares;
- You agree in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act;
- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/ Issue Closing Date (as defined hereinafter);
- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;
- The Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;
- The aggregate number of Equity Shares Allotted to you under the Issue, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:
 - (a) Eligible QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and
 - (b) ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares are issued by the Stock Exchanges;
- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares to be issued pursuant to this Issue will be obtained in time or at all. Neither our Company nor the BRLMs nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;
- You are aware and understand that the BRLMs have entered into a Placement Agreement with our Company whereby the BRLMs have, subject to the satisfaction of certain conditions set out therein, undertaken to use its reasonable efforts to procure subscription for the Equity Shares on the terms and conditions set forth therein;
- You understand that the contents of the Preliminary Placement Document and this Placement Document are exclusively the responsibility of our Company, and that neither the BRLMs nor any person acting on their behalf or any of the counsel or advisors to the Issue has or shall have any liability for any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or any information previously

published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or otherwise. By accepting a participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document and this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLMs or our Company or any other person, and the BRLMs or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLMs and its affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the BRLMs or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non-performance by our Company or any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;
- You are able to purchase the Equity Shares in accordance with the restrictions described in “*Selling Restrictions*” on page 210 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in “*Selling Restrictions*” on page 210;
- You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in “*Purchaser Representations and Transfer Restrictions*” on page 218 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in “*Purchaser Representations and Transfer Restrictions*” on page 218;
- You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly, may not be offered or sold within the United States, except in reliance on an exemption from the registration requirements of the U.S. Securities Act.
- If you are outside the United States, you are subscribing for the Equity Shares in an "offshore transaction" within the meaning of Regulation S under the U.S. Securities Act, and are not our Company's or the BRLMs' affiliate or a person acting on behalf of such an affiliate;
- You are not acquiring or subscribing for the Equity Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D) or directed selling efforts (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described under “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 210 and 218, respectively;
- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in New Delhi, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and/or this Placement Document;
- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;
- You agree to indemnify and hold our Company, the BRLMs and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in the Preliminary Placement Document and this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;
- You acknowledge that the Preliminary Placement Document did not, and this Placement Document does not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLMs;
- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and Rule 6 of the FEMA Rules;
- You represent that you are not an affiliate of our Company or the BRLMs or a person acting on behalf of such affiliate. However, affiliates of the BRLMs, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see “*Offshore Derivative Instruments*” on page 12;
- Our Company, the BRLMs, their respective affiliates, directors, counsel, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLMs; and
- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including the affiliates of the BRLMs, who are registered as category I FPIs may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as “**Offshore Derivative Instruments**”), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such Offshore Derivative Instruments provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, Offshore Derivative Instruments may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with ‘know your client’ requirements, as specified by the Board and subject to payment of applicable regulatory fee and in compliance with such other conditions as may be specified from the SEBI. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Offshore Derivative Instruments have not been and are not being offered or sold pursuant to the Preliminary Placement Document and this Placement Document. This Placement Document does not contain any information concerning Offshore Derivative Instruments or the issuer(s) of any Offshore Derivative Instruments, including any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the “**FPI Operational Guidelines**”), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above mentioned restrictions shall also apply to subscribers of Offshore Derivative Instruments and two or more subscribers of Offshore Derivative Instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the Offshore Derivative Instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI investments and Offshore Derivative Instruments position held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of Offshore Derivative Instruments.

Affiliates of the BRLMs which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. Any Offshore Derivative Instruments that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any Offshore Derivative Instruments, or in the establishment of the terms of any Offshore Derivative Instruments, or in the preparation of any disclosure related to any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLMs do not make any recommendation as to any investment in Offshore Derivative Instruments and do not accept any responsibility whatsoever in connection with any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be issued are not securities of the BRLMs and do not constitute any obligations of or claims on the BRLMs.

Prospective investors interested in purchasing any Offshore Derivative Instruments have the responsibility to obtain adequate disclosures as to the issuer(s) of such Offshore Derivative Instruments and the terms and conditions of any such Offshore Derivative Instruments from the issuer(s) of such Offshore Derivative Instruments. Neither SEBI nor any other regulatory authority has reviewed or approved any Offshore Derivative Instruments or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in Offshore Derivative Instruments, including whether Offshore Derivative Instruments are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSES

Disclaimer clause of the Stock Exchanges

As required, a copy of the Preliminary Placement Document and this Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

- (1) warrant, certify or endorse the correctness or completeness of the contents of the Preliminary Placement Document or this Placement Document; or
- (2) warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or
- (3) take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company

and it should not, for any reason be deemed or construed to mean that the Preliminary Placement Document or this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to ‘you’, ‘your’, ‘offeree’, ‘purchaser’, ‘subscriber’, ‘recipient’, ‘investor(s)’, ‘prospective investor(s)’ and ‘potential investor(s)’ are to the Eligible QIBs and references to ‘our Company’, ‘Company’, ‘the Company’ and the ‘Issuer’, are to Indiabulls Real Estate Limited and references to ‘we’, ‘us’ or ‘our’ are to our Company together with our Subsidiaries, on a consolidated basis.

Currency and units of presentation

In this Placement Document, references to ‘US\$’, ‘USD’ and ‘U.S. dollars’ are to the legal currency of the United States of America, references to ‘₹’, ‘INR’, ‘Rs.’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of Republic of India. All references herein to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions. All references herein to “India” are to the Republic of India and its territories and possessions and all references herein to the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Unless stated otherwise, all references to page numbers in this Placement Document are to the page numbers of this Placement Document.

All the numbers in this Placement Document have been presented in million, unless stated otherwise. The amounts derived from financial statements included herein are presented in Rs. million rather than Rs. Lakhs. Financial statements in our Audited Consolidated Financial Statements, Audited Standalone Financial Statements, Limited Reviewed Unaudited Consolidated Financial Results, Limited Reviewed Unaudited Standalone Financial Results are presented in ₹ Lakhs.

Except as otherwise set out in this Placement Document, all figures set out in this Placement Document have been rounded off to the extent of one or two decimal places. However, all figures, expressed in terms of percentage, have been rounded off to one decimal place. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Financial Data and Other Information

Our Company publishes its financial statements in Indian Rupees. The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise. The terms “Fiscal” or “Fiscal year”, refer to the 12 month period ending, or as of March 31 of that year (as the case may be).

As required under applicable regulations, and for the convenience of prospective investors, we have included the following in this Placement Document:

- i. The limited reviewed unaudited consolidated financial results of our Group for the nine months ended December 31, 2021 (including the comparative for the nine months period ended December 31, 2020) prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, prescribed under section 133 of the Companies Act, 2013, including the notes thereto (“**Limited Reviewed Unaudited Consolidated Financial Results**”) and the report thereon;
- ii. The limited reviewed unaudited standalone financial results of our Company for the nine months ended December 31, 2021 (including the comparative for the nine months period ended December 31, 2020) prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, prescribed under section 133 of the Companies Act, 2013, including the notes thereto (“**Limited Reviewed Unaudited Standalone Financial Results**”) and the report thereon;
- iii. The audited consolidated financial statements of our Group as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013, including the notes thereto (“**Audited Consolidated Financial Statements**”) and reports thereon;
- iv. The audited standalone financial statements of our Company as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013, including the notes thereto (“**Audited Standalone Financial Statements**”) and reports thereon;

- v. The special purpose consolidated financial statements of NAM Estates and its subsidiaries and joint venture as at and for the financial year ended March 31, 2021, prepared in accordance with Ind AS and Companies Act, including the notes thereto ("**NAM Estates Special Purpose Consolidated Financial Statements**") and reports thereon;
- vi. The audited financial statements of NAM Estates as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, prepared in accordance with Ind AS and Companies Act, including the notes thereto ("**NAM Estates Audited Financial Statements**") and reports thereon;
- vii. The limited reviewed unaudited special purpose interim consolidated financial statements of NAM Estates, its subsidiaries and joint venture for the nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto ("**Unaudited NAM Estates Limited Reviewed Special Purpose Interim Consolidated Financial Statements**") and report thereon;
- viii. The audited standalone financial statements of EOCDDL as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS and Companies Act, including the notes thereto ("**EOCDPL Audited Standalone Financial Statements**") and report thereon;
- ix. The audited financial statements of Embassy One as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS and Companies Act, including the notes thereto ("**Embassy One Audited Financial Statements**") and report thereon;
- x. The audited financial statements of Embassy East as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS and Companies Act, including the notes thereto ("**Embassy East Audited Financial Statements**") and report thereon;
- xi. The audited financial statements of Summit as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS and Companies Act, including the notes thereto ("**Summit Audited Financial Statements**") and report thereon;
- xii. The audited standalone financial statements of IPPL as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are prepared in accordance with Companies Act in conformity with Ind AS and accounting principles generally accepted in India and comprise of the standalone balance sheets, standalone statement of profit and loss (including other comprehensive income) standalone cash flow statement, standalone statement of changes in equity and a summary of significant accounting policies and other explanatory information for these financial years ("**IPPL Audited Standalone Financial Statements**") along with independent auditors reports thereon;
- xiii. The limited reviewed unaudited special purpose standalone financial statements of EOCDDL for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto ("**EOCDPL Limited Reviewed Unaudited Special Purpose Standalone Financial Statements**") and report thereon;
- xiv. The limited reviewed unaudited special purpose interim standalone financial statements of Embassy One for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto ("**Embassy One Limited Reviewed Unaudited Special Purpose Interim Standalone Financial Statements**") and report thereon;
- xv. The limited reviewed unaudited special purpose interim financial statements of Embassy East for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto ("**Embassy East Limited Reviewed Unaudited Special Purpose Interim Financial Statements**") and report thereon;
- xvi. The limited reviewed unaudited special purpose interim financial statements of Summit for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto ("**Summit Limited Reviewed Unaudited Special Purpose Interim Financial Statements**") and report thereon; and
- xvii. The unaudited special purpose interim standalone financial information of IPPL which comprise of the unaudited special purpose interim standalone balance sheet, as at December 31, 2021, unaudited special purpose interim standalone statement of profit and loss (including other comprehensive income), unaudited special purpose interim standalone cash flow statement, unaudited special purpose interim standalone statement of changes in equity for nine months period the ended and other explanatory information prepared in accordance with Ind AS 34 "Interim Financial

Reporting” as per Companies Act and other accounting principles generally accepted in India (“**IPPL Limited Reviewed Unaudited Standalone Financial Results**”) along with independent auditors reports thereon.

The audited consolidated financial statements for Fiscal 2021 has been audited by our Statutory Auditors, Agarwal Prakash & Co, Chartered Accountants, on which they have issued audit report dated April 23, 2021. The audited consolidated financial statements for Fiscals 2020 and 2019 have been audited by our erstwhile statutory auditors, Walker Chandiok & Co LLP, on which they have issued audit reports dated May 14, 2020 and April 23, 2019, respectively. The audited standalone financial statements for Fiscal 2021 has been audited by our Statutory Auditors, on which they have issued audit report dated April 23, 2021. The audited standalone financial statements for Fiscals 2020 and 2019 have been audited by our erstwhile statutory auditors, Walker Chandiok & Co LLP, on which they have issued audit reports dated May 14, 2020 and April 23, 2019, respectively.

The Limited Reviewed Unaudited Consolidated Financial Results and Limited Reviewed Unaudited Standalone Financial Results have been subjected to review by our Statutory Auditors, Agarwal Prakash & Co, Chartered Accountants, and they have issued review reports, each dated January 25, 2022, respectively. The Audited Consolidated Financial Statements and Audited Standalone Financial Statements should be read along with the respective audit reports, and the Limited Reviewed Unaudited Consolidated Financial Results and Limited Reviewed Unaudited Standalone Financial Results should be read along with their respective review reports issued thereon.

Except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated and standalone financial information for the nine months ended December 31, 2021, included in this Placement Document has been derived from the Limited Reviewed Unaudited Consolidated Financial Results and Limited Reviewed Unaudited Standalone Financial Results, respectively. Unless context requires otherwise, the financial information for the corresponding to nine months ended December 31, 2020 have been derived from the comparative financial information presented in the Limited Reviewed Unaudited Consolidated Financial Results or Limited Reviewed Unaudited Standalone Financial Results, respectively.

The NAM Estates Special Purpose Consolidated Financial Statements have been audited by NSVM & Associates, Chartered Accountants on which they have issued audit report for Fiscal 2021 dated March 14, 2022. The NAM Estates Audited Financial Statements have been audited by NSVM & Associates, Chartered Accountants, on which they have issued audit reports for Fiscals 2021, 2020 and 2019 dated July 27, 2021, August 4, 2020 and September 5, 2019, respectively. Unaudited NAM Estates Limited Reviewed Special Purpose Interim Consolidated Financial Statements have been subjected to review by NSVM & Associates, Chartered Accountants, on which they have issued a review report dated March 23, 2022.

The EOCDPL Audited Standalone Financial Statements have been audited by HRA & Co., Chartered Accountants on which they have issued audit reports for Fiscals 2021, 2020 and 2019 dated July 29, 2021, May 22, 2020 and May 6, 2019, respectively. EOCDPL Limited Reviewed Unaudited Special Purpose Standalone Financial Statements have been subjected to review by HRA & Co., Chartered Accountants on which they have issued a review report dated February 22, 2022.

The Embassy One audited financial statements for Fiscal 2021 have been audited by Walker Chandiok & Co LLP, on which they have issued audit report dated July 30, 2021. The Embassy One audited financial statements for Fiscal 2020 have been audited by NSVM & Associates, Chartered Accountants, on which they have issued audit report dated August 3, 2020. The Embassy One audited financial statements for Fiscal 2019 have been audited by BSR & Associates LLP, on which they have issued audit report dated September 3, 2019. Embassy One Limited Reviewed Unaudited Special Purpose Interim Standalone Financial Statements have been subjected to review by Walker Chandiok & Co LLP on which they have issued a review report dated March 22, 2022.

The Embassy East audited financial statements for Fiscals 2021 and 2020 have been audited by NSVM & Associates, Chartered Accountants on which they have issued audit reports dated August 31, 2021 and July 3, 2020. The Embassy East audited financial statements for Fiscal 2019 has been audited by BSR & Associates LLP, on which they have issued audit report dated August 21, 2019. Embassy East Limited Reviewed Unaudited Special Purpose Interim Financial Statements have been subjected to review by NSVM & Associates, Chartered Accountants on which they have issued a review report dated March 19, 2022.

The Summit audited financial statements for Fiscals 2021 and 2020 have been audited by NSVM & Associates, Chartered Accountants on which they have issued audit reports dated October 13, 2021 and July 9, 2020. The Summit audited financial statements for Fiscal 2019 has been audited by BSR & Associates LLP, on which they have issued audit report dated September 27, 2019. Summit Limited Reviewed Unaudited Special Purpose Interim Financial Statements have been subjected to review by NSVM & Associates, Chartered Accountants on which they have issued a review report dated February 14, 2022.

The IPPL Audited Standalone Financial Statements have been audited by Walker Chandiok & Co LLP on which they have issued audit reports dated September 23, 2021, September 4, 2020 and April 22, 2019, respectively. IPPL Limited Reviewed Unaudited Standalone Financial Results have been subjected to review by Walker Chandiok & Co LLP on which they have issued a review report dated March 25, 2022.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Placement Document should accordingly be limited. Also see, *"Risk Factors – Significant differences exist between Ind AS used to prepare our and the Amalgamating Group's financial information and other accounting principles, such as IFRS and U.S. GAAP, with which investors may be more familiar."* on page 68.

Our Company's website, and the websites of our Subsidiaries, shall not form any part of this Placement Document.

Certain information contained in this Placement Document regarding Developable Area, Saleable Area and Leasable Area is based on assumptions, management plans and estimates. Also see, *"Risk Factors – Certain information contained in this Placement Document including that in relation to our and the Amalgamating Group upcoming launches, ongoing projects, planned projects and the area expressed to be covered by our or as the case may be, the Amalgamating Group projects are based on management estimates and may be subject to change."* on page 53.

Non-GAAP Financial Measures

We have included certain non-GAAP financial measures relating to our operations and financial performance (together, "**Non-GAAP Financial Measures**" and each, a "**Non-GAAP Financial Measure**") in this Placement Document, for example, "EBITDA", "EBITDA Margin" and "Profit After Tax Margin", in *"Our Business"* on page 140. These Non-GAAP Financial Measures are not required by or presented in accordance with Indian GAAP or Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. However, note that these Non-GAAP financial measures and other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other real estate companies.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of markets in which we compete. The statistical information included in this Placement Document relating to the various sectors in which we operate has been reproduced from various trade, industry and regulatory/ government publications and websites, more particularly described in *“Industry Overview”* on page 109.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been obtained from the report titled *“Real Estate Industry Report”*, dated April 4, 2022 (the **“Anarock Report”**), which is a report commissioned and paid for by our Company and prepared by Anarock Property Consultants Private Limited.

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *“Risk Factors – We have referred to the data derived from the industry report commissioned from Anarock Property Consultants Private Limited.”* on page 64.

Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections titled *“Business”*, *“Risk Factors”*, *“Management’s Discussions and Analysis of Results of Operations and Financial Condition”* and otherwise in this Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the Anarock Report. Data from these sources may also not be comparable. The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information.

FORWARD-LOOKING STATEMENTS

All statements contained in this Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', 'will likely result', 'is likely', 'are likely', 'believe', 'expect', 'expected to', 'will continue', 'will achieve', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

- There is no assurance that the Proposed Merger will be completed in a timely manner or at all;
- Our Promoter and Promoter Group are in the process of being re-classified to the “public” category, subject to approvals from Stock Exchanges and after such reclassification becomes effective and before the completion of the Proposed Merger, we may become a professionally managed company without an identifiable promoter or promoter group. After the consummation of the Proposed Merger, the promoters of NAM Estates will undertake necessary corporate actions and initiate the necessary filings to classify themselves as promoters of the Amalgamated Company;
- The Proposed Merger is not yet effective and there are limitations on the information relating to the Amalgamating Group disclosed in this Placement Document;
- Assuming the completion of the Proposed Merger, if we are unable to successfully integrate the Amalgamating Group to our business and realize the anticipated benefits of the Proposed Merger, our business, results of operations, financial condition and cash flows may be adversely affected;
- We, or as the case may be, the Amalgamating Group may not be able to successfully identify and acquire suitable land or development rights, which may affect our business and growth prospects;
- We and the Amalgamating Group are involved in certain legal and regulatory proceedings in India which, if determined against us or as the case may be, the Amalgamating Group, may materially and adversely affect our business, reputation, financial condition, results of operations and cash flows;
- The extent to which the Coronavirus disease (COVID-19) may affect our or as the case may be, the Amalgamating Group’s business and operations in the future is uncertain and cannot be predicted;
- Each of us and the Amalgamating Group are subject to risks pertaining to development agreements;
- Our real estate development activities are geographically concentrated in and around the Mumbai Metropolitan Region (“MMR”) and National Capital Region (“NCR”). Consequently, we are exposed to risks from economic, regulatory and other changes as well as natural disasters in the MMR and NCR, which in turn may have an adverse effect on our business, results of operations, cash flows and financial condition. Further, the real estate development activities of the Amalgamating Group are geographically concentrated in and around Bengaluru and, assuming the successful completion of the Proposed Merger, we will be exposed to concentration risks in relation to Bengaluru; and
- This Placement Document does not contain any pro forma financial information to give pro forma effect to the Proposed Merger.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections “*Risk Factors*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Industry Overview*” and “*Our Business*” on pages 40, 83, 109 and 140, respectively.

The forward-looking statements contained in this Placement Document are based on the beliefs of our Company and management, as well as the assumptions made by, and information currently available to, our Company and management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document, and neither we nor the BRLMs or any of their affiliates undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our underlying assumptions prove to be incorrect, our actual results of operations, cash flows or financial condition of our Company and Subsidiaries could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent oral or written forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. Majority of our Directors, Key Managerial Personnel and Senior Management Personnel named herein are residents of India and the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

- (a) where the judgment has not been pronounced by a court of competent jurisdiction;
- (b) where the judgment has not been given on the merits of the case;
- (c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;
- (d) where the proceedings in which the judgment was obtained were opposed to natural justice;
- (e) where the judgment has been obtained by fraud; and
- (f) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such foreign judgement, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. Our Company and the BRLMs cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and the foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares. The following table sets forth information, for or as of the end of the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US \$), for the periods indicated. The exchange rates are based on the reference rates released by the RBI, which are available on the website of the RBI and Financial Benchmarks India Private Limited (the “**FBIL**”), which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts, could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

As of April 11, 2022, the exchange rate (FBIL reference rate) was ₹75.89 to US\$ 1.

(₹ per US\$)

	Period End ⁽⁴⁾	Average ⁽¹⁾	High ⁽²⁾	Low ⁽³⁾
Fiscal ended:				
March 31, 2022	75.52	74.38	76.89	72.28
March 31, 2021	73.50	74.20	76.81	72.29
March 31, 2020	75.39	70.88	76.15	68.37
Months ended				
March 31, 2022	75.90	76.21	76.92	75.60
February 28, 2022	75.48	74.98	75.66	74.48
January 31, 2022	74.43	75.67	75.20	73.93
December 31, 2021	74.50	75.35	76.25	74.43
November 30, 2021	75.09	74.50	75.09	73.92
October 31, 2021	74.79	74.92	75.46	74.24

Source: www.fbil.org.in, www.oanda.com, and www.xe.com

Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places.

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;

(2) Represents the average of the official rate for each working day of the relevant period;

(3) Maximum of the official rate for each working day of the relevant period;

(4) Minimum of the official rate for each working day of the relevant period; and

(5) In the event that the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day have been considered.

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder unless specified otherwise in the context thereof. Further, any references to any statute, rules, guidelines, regulations or policies shall include amendments thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section “*Taxation*”, “*Industry Overview*”, “*Financial Statements*” and “*Legal Proceedings*”, shall have the meaning given to such terms in such sections on pages 227, 109, 244 and 231, respectively.

General terms

Term	Description
“Issuer”, or “our Company” or “Company”	Indiabulls Real Estate Limited a company incorporated under the Companies Act, 1956
“we”, “Group”, “our Group”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries.

Company related terms

Term	Description
“Amalgamating Group” or “Embassy”	NAM Estates, Embassy One, Summit, Embassy East and EOCDPL
“Articles or Articles of Association” or “AoA”	Articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, as disclosed in “ <i>Board of Directors and Senior Management Personnel</i> ” beginning on page 184
Audited Consolidated Financial Statements	The audited consolidated financial statements of our Group as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013, including the notes thereto
Audited Standalone Financial Statements	The audited standalone financial statements of our Company as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013, including the notes thereto
“Board of Directors” or “Board”	The board of directors of our Company or any duly constituted committee thereof
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely Ravi Telkar
Corporate Office	The corporate office of our Company which is located at WeWork, Vaswani Chambers, 264/265, Dr. Annie Besant Road, Worli, Mumbai – 400 030, Maharashtra, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, as disclosed in “ <i>Board of Directors and Senior Management Personnel</i> ” beginning on page 184
Director(s)	Director(s) on the Board of our Company
Embassy East	Embassy East Business Park Private Limited (formerly known as Concord India Private Limited)
Embassy East Audited Financial Statements	The audited financial statements of Embassy East as at, and for the financial year ended March 31, 2021, prepared in accordance with Ind AS and Companies Act, including the notes thereto
Embassy East Limited Reviewed Unaudited Special Purpose Interim Financial Statements	The limited reviewed unaudited special purpose interim financial statements of Embassy East for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto
Embassy Group	EPDPL and its associates
Embassy One	Embassy One Developers Private Limited
Embassy One Audited Financial Statements	The audited financial statements of Embassy One as at, and for the financial year ended March 31, 2021, prepared in accordance with Ind AS and Companies Act, including the notes thereto
Embassy One Limited Reviewed Unaudited Special Purpose Interim Standalone Financial Statements	The limited reviewed unaudited special purpose interim standalone financial statements of Embassy One for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto
EOCDPL	Embassy One Commercial Property Developments Private Limited
EOCDPL Audited Standalone Financial Statements	The audited standalone financial statements of EOCDPL as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS and Companies Act, including the notes thereto
EOCDPL Limited Reviewed	The limited reviewed unaudited special purpose standalone financial statements of EOCDPL for

Term	Description
Unaudited Special Purpose Standalone Financial Statements	nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto
Embassy REIT	Embassy Office Parks REIT
EPDPL	Embassy Property Developments Private Limited
Erstwhile Statutory Auditor	The erstwhile statutory auditors of our Company, being Walker Chandio & Co LLP
ESOP 2006	Indiabulls Real Estate Limited Employees Stock Option Scheme 2006
ESOP 2008	Indiabulls Real Estate Limited Employees Stock Option Scheme 2008 (II)
ESOP 2010	Indiabulls Real Estate Limited Employees Stock Option Scheme 2010
ESOP 2011	Indiabulls Real Estate Limited Employees Stock Option Scheme 2011
Equity Share(s)	The equity shares of our Company, having a face value of ₹2 each
Executive Director(s)	The Director appointed as Joint Managing Director of our Company in accordance with the Companies Act
Fund Raising Committee	The Fund Raising Committee of our Company, a committee duly authorized by our Board.
IBREL Stock Option Schemes	The stock option schemes of our Company, namely, Indiabulls Real Estate Limited - Employees Stock Option Scheme 2010 and Indiabulls Real Estate Limited - Employees Stock Option Scheme 2011
Independent Director	A non-executive, independent Director as per the Companies Act and the SEBI Listing Regulations, who are currently on the Board of our Company, as disclosed in “Board of Directors and Senior Management Personnel” beginning on page 184
IPPL	Indiabulls Properties Private Limited
IPPL Audited Standalone Financial Statements	The audited standalone financial statements of IPPL as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are prepared in accordance with Companies Act in conformity with Ind AS and accounting principles generally accepted in India and comprise of the standalone balance sheets, standalone statement of profit and loss (including other comprehensive income) standalone cash flow statement, standalone statement of changes in equity and a summary of significant accounting policies and other explanatory information for these financial years
IPPL Limited Reviewed Unaudited Standalone Financial Results	The unaudited special purpose interim standalone financial information of IPPL which comprise of the unaudited special purpose interim standalone balance sheet, as at December 31, 2021, unaudited special purpose interim standalone statement of profit and loss (including other comprehensive income), unaudited special purpose interim standalone cash flow statement, unaudited special purpose interim standalone statement of changes in equity for nine months period the ended and other explanatory information prepared in accordance with Ind AS 34 “Interim Financial Reporting” as per Companies Act and other accounting principles generally accepted in India
Joint Managing Director(s)	The joint managing directors of our Company, namely Mehul Johnson and Gurbans Singh, as disclosed in “Board of Directors and Senior Management Personnel” beginning on page 184
Key Managerial Personnel	Key managerial personnel of our Company identified in terms of Section 203 of the Companies Act and as disclosed in “Board of Directors and Senior Management Personnel” beginning on page 184
Limited Reviewed Unaudited Consolidated Financial Results	The limited reviewed unaudited consolidated financial results of our Group for the nine months ended December 31, 2021 (including the comparative for the nine months period ended December 31, 2020) prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, prescribed under section 133 of the Companies Act, 2013, including the notes thereto
Limited Reviewed Unaudited Standalone Financial Results	The limited reviewed unaudited standalone financial results of our Company for the nine months ended December 31, 2021 (including the comparative for the nine months period ended December 31, 2020) prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, prescribed under section 133 of the Companies Act, 2013, including the notes thereto
Material Subsidiaries	Ceres Estate Limited, Indiabulls Constructions Limited and Indiabulls Infraestate Limited
“Memorandum” or “Memorandum of Association”	Memorandum of Association of our Company, as amended from time to time
NAM Estates	NAM Estates Private Limited
NAM Estates Audited Financial Statements	The audited financial statements of NAM Estates as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, prepared in accordance with Ind AS and Companies Act, including the notes thereto
Unaudited NAM Estates Limited Reviewed Special Purpose Interim Consolidated Financial Statements	The limited reviewed unaudited special purpose interim consolidated financial statements of NAM Estates and its subsidiaries and joint venture for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto
NAM Estates Special Purpose Consolidated Financial Statements	The special purpose consolidated financial statements of NAM Estates and its subsidiaries and joint venture as at and for the financial year ended March 31, 2021, prepared in accordance with Ind AS and Companies Act, including the notes thereto
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, as disclosed in “Board of Directors and Senior Management Personnel” beginning on page 184
Non-Executive Chairman	The non-executive chairman of our Company as disclosed in “Board of Directors and Senior

Term	Description
	<i>Management Personnel</i> ” beginning on page 184
Non-Executive Director(s)	A Director, not being an Executive Director
Promoter	The promoter of our Company in terms of the SEBI ICDR Regulations and the Companies Act, namely, Sameer Gehlaut* * Sameer Gehlaut and members of the Promoter Group have submitted a request dated January 1, 2022 under Regulation 31A of the SEBI Listing Regulations, for re-classification of their category from ‘promoter and promoter group’ to ‘public’. Such re-classification is subject to receipt of approval from the Stock Exchanges in accordance with SEBI Listing Regulations. For further information, please see “Proposed Merger of Nam Estates and EOCDPL with our Company - Re-classification of Promoter and Promoter Group” on page 182
Promoter Group	Promoter Group of our Company as determined in accordance with the Regulation 2(pp) of the SEBI ICDR Regulations
Proposed Merger	The proposed merger of NAM Estates and EOCDPL with our Company, the details of which are disclosed in “Proposed Merger of Nam Estates and EOCDPL with our Company” beginning on page 179
Registered Office	The registered office of our Company which is located at Plot No. 448-451, Udyog Vihar, Phase V, Gurugram -122016, Haryana, India
Risk Management Committee	The risk management committee of our Company, as disclosed in “Board of Directors and Senior Management Personnel” beginning on page 184
“RoC” or “Registrar of Companies”	Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi
SARs	Stock Appreciation Rights
Senior Management Personnel	Senior management personnel of our Company as disclosed in “Board of Directors and Senior Management Personnel” beginning on page 184
Shareholder(s)	The holder(s) of Equity Shares of our Company, unless otherwise specified in the context thereof.
Specified Companies	Collectively, Embassy One, Embassy East and Summit
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Company, as disclosed in “Board of Directors and Senior Management Personnel” beginning on page 184
Statutory Auditors	Current statutory auditors of our Company, being Agarwal Prakash & Co, Chartered Accountants
Subsidiaries	Subsidiaries of our Company as of the date of this Placement Document, and as disclosed in “Organizational Structure” beginning on page 175
Summit	Summit Developments Private Limited
Summit Audited Financial Statements	The audited financial statements of Summit as at, and for the financial year ended March 31, 2021 prepared in accordance with Ind AS and Companies Act, including the notes thereto
Summit Limited Reviewed Unaudited Special Purpose Interim Financial Statements	The limited reviewed unaudited special purpose interim financial statements of Summit for nine months ended December 31, 2021, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, including the notes thereto

Issue related terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares by our Company, in consultation with the BRLMs, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Forms submitted by them, in consultation with the BRLMs and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue
Application Form	The form which was submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period
Bid(s)	Indication of an Eligible QIB’s interest, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term “Bidding” shall be construed accordingly
Bidder	Any prospective investor, being an Eligible QIB, who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Bid/Issue Closing Date	April 12, 2022
Bid/Issue Opening Date	April 7, 2022
Bid/Issue Period	Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Bid Amount
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Book Running Lead Manager(s) or BRLM(s)	Axis Capital Limited, IIFL Securities Limited, Jefferies India Private Limited, JM Financial Limited and SBI Capital Markets Limited

Term	Description
CAN or Confirmation of Allocation Note	Note or advice or intimation to Successful Bidders confirming Allocation of Equity Shares to such Successful Bidders after discovery of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e. on or about April 12, 2022
Designated Date	The date of credit of Equity Shares to the Allottees' demat accounts pursuant to the Issue, as applicable to the relevant Allottees
Eligible QIB(s)	A qualified institutional buyer, as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations which (i) is not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or (b) restricted from participating in the Issue under the applicable laws, and (ii) is a resident in India or is an eligible FPI participating through Schedule II of the FEMA Rules
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened with the Escrow Agent, subject to the terms of the Escrow Agreement, into which the Bid Amount has been deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form
Escrow Agent	Axis Bank Limited
Escrow Agreement	Agreement dated April 7, 2022 entered into by and amongst our Company, the Escrow Agent and the BRLMs for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Floor Price	The floor price of ₹106.38 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of ₹5.28 (being equivalent to 4.96% of the Floor Price) in accordance with the approval of the shareholders of our Company accorded through their special resolution on February 7, 2022 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations
Issue	The offer, issue and Allotment of 85,559,435 Equity Shares to Eligible QIBs pursuant to Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act
Issue Price	₹101.10 per Equity Share
Issue Size	The issue of 85,559,435 Equity Shares aggregating to approximately ₹ 8,650.06 million
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	Agreement dated April 7, 2022 entered into by and amongst our Company and the BRLMs
Placement Document	This placement document dated April 12, 2022 issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act
Preliminary Placement Document	The preliminary placement document cum application form dated April 7, 2022 issued in accordance with Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Relevant Date	April 7, 2022 which is the date of the meeting of the Fund Raising Committee, a committee duly authorised by our Board, decided to open the Issue
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount along with the Application Form and who are Allocated Equity Shares pursuant to the Issue
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Industry Related Terms

Term	Description
Anarock	Anarock Property Consultants Private Limited
"Anarock Research" or "Anarock Report"	Real Estate Industry Report by Anarock
Benami Act	Benami Transactions (Prohibition) Amended Act, 2016
CAGR	Compound annual growth rate
CBD	Central business district
Completed Projects	The category of "completed" projects includes residential and commercial, where the land (or rights thereto) has been acquired, the design development and pre-construction activities have been completed in accordance with the approved business plan of the project and the occupancy certificates have been received from the competent authority for all units with respect to towers or buildings in the project and the process of handover of such units has commenced

Term	Description
CMIE	Centre for Monitoring Indian Economy Private Limited
Developable Area	For a residential project refers to the Saleable Area and for a commercial project refers to the Leasable Area. For a mixed-use project, it refers to the aggregate of the Saleable Area and Leasable Area
FY	Financial year
GDP	Gross domestic product
Gross Collections	Gross collections include collections towards residential and commercial units and land, other charges, rebates given to customers, indirect taxes and facility management charges
GST	Goods and services tax
IMF	International Monetary Fund
INR	Indian National Rupee
IT	Information technology
ITC	Input tax credit
ITeS	Information technology enabled services
IL&FS	Infrastructure Leasing and Financial Services
Leasable Area	For commercial properties, mean the total carpet area in relation to each project along with appropriate loading to adjust for common areas, service and storage area, parking area and other open areas
MMR	Mumbai Metropolitan Region
NBFC	Non-banking financing companies
NCR	National Capital Region
Near Completed Projects	Development in the last mile of finishing, occupation certificate for which is expected within 12 months
Ongoing Projects	The category of “ ongoing ” projects includes residential and commercial, where the land (or rights thereto) has been acquired, the design development and pre-construction activities have been significantly completed in accordance with the approved business plan of the project, and the key approvals for commencement of development of a significant part of the project have been obtained from the competent authority and the construction and sales have also commenced
Planned Projects	The category of “ planned ” projects includes residential, commercial or industrial projects, where the land (or rights thereto) has been acquired, the business plan of the project is being finalized and the design development and pre-construction activities and the process for seeking necessary approvals for the development of the project or part thereof have commenced. The construction and sales of the planned projects have not yet commenced
RBI	Reserve Bank of India
RERA	Real Estate Regulatory Authority
Saleable Area	For residential properties, mean the total carpet area in relation to each project along with appropriate loading to adjust for common areas, service and storage area parking area, area for amenities and other open areas
SBD	Secondary business district
Top Seven Indian Markets	MMR, Pune, Bengaluru, Hyderabad, NCR, Chennai and Kolkata

Conventional and General Terms/Abbreviations

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
Arbitration Act	Arbitration and Conciliation Act, 1996, as amended
AS	Accounting Standards issued by ICAI, as required under the Companies Act
ASIC	The Australian Securities and Investments Commission
Australian Corporations Act	Corporations Act 2011 (Cth) of Australia
AUM	Assets under management
“Average Sale Price” or “ASP”	Average of the sales price at a project for the six months ended December 31, 2021. In case there were no sales in the six months period ended December 31, 2021, ASP refers to the last transacted price
AY	Assessment year
BFSI	Banking, Financial Services and Insurance Sector
BHK	Bedroom, hall and kitchen
Blackstone	Blackstone Group Inc.
BLR	Bengaluru
BSE	BSE Limited
“Calendar Year” or “CY”	Period of 12 months commencing from January 1 & ending on December 31
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Code	The United States Internal Revenue Code of 1986

Term	Description
CSR	Corporate social responsibility
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the rules made thereunder
“Companies Act” or “Companies Act, 2013”	Companies Act, 2013, as amended and the rules, regulations, circulars, modifications and clarifications thereunder, to the extent notified
Competition Act	The Competition Act, 2002, as amended
CrPC	Code of Criminal Procedure, 1973
DBO	Defined benefit obligation
DCCO	Deferment of date of commencement of commercial operations for commercial real estate projects pursuant to circulars issued by the RBI
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended
Depository Participant	A depository participant as defined under the Depositories Act
DDT	Dividend distribution tax
DM	Development management
DRT	Debt Recovery Tribunal
DIN	Director Identification Number
EBITDA	Earnings before interest, taxes, depreciation, amortisation and impairment excluding other income
EBITDA Margin	EBITDA as a percentage of revenue from operations
ECL	Expected credit loss
ED	Enforcement Directorate, GoI
EGM	Extraordinary general meeting
EIR	Effective interest rate
ERP	Enterprise resource planning
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable law, other than individuals, corporate bodies and family offices
FDI	Foreign direct investment
FDI Policy	Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade (formerly called the Department of Industrial Policy and Promotion) bearing file number 5(2)/2020-FDI Policy dated and with effect from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999, as amended and the regulations issued thereunder
FEMA Norms	The Government issued a notification and imposed certain restrictions or conditionality on such investments pursuant to Press Notes, circulars and regulations (including FEMA Rules) issued by the DPIIT or the RBI or the Ministry of Finance, Government of India, from time to time, as the case may be.
FEMA Rules	The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder
Finance Act	The Finance Act, 2021
“Financial year” or “Fiscal Year” or “FY” or “Fiscal”	Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FPI Operational Guidelines	SEBI circular dated November 5, 2019 which issued the operational guidelines for FPIs
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended
FVCI	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit and loss
GAAP	Generally accepted accounting principles
GAAR	General Anti-Avoidance Rules
GBP	Great Britain Pound
GDP	Gross domestic product
GDR	Global Depository Receipt
GIR	General index registrar
“GoI” or “Government”	Government of India, unless otherwise specified
GCC	Global Capability Centers
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian accounting standards converged with IFRS with some differences, as specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting

Term	Description
	Standard) Rules, 2015, as amended
Inventory	Unsold residential saleable area including commercial area sold on strata sale basis
IPC	Indian Penal Code, 1860
IT	Information technology
ITSC	Income Tax Settlement Commission
ITSC Order	A final order from the ITSC in the financial year 2020 issued in connection with certain tax liabilities from previous financial years
JDA	Joint Development Agreement
JSK	Jan Swasthya Kalyan Vahika
JV	Joint Ventures
“Lac” or “lakh”	Lakhs
Land Acquisition Act	Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013
LED	Light emitting diode
MAT	Minimum alternate tax
MCA	Ministry of Corporate Affairs, GoI
MNC	Multinational companies
msf	Million square feet
NCLT	National Company Law Tribunal, GoI
Net Debt	Total external borrowings excluding related intercompany payables less cash and cash equivalents
NOC	No Objection Certificate
Non-core Areas	Areas other than the markets of MMR, NCR and Bangalore
“NRI” or “Non-Resident Indian”	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OC	Occupation certificate(s)
OCI	Other comprehensive income
Ownership of Flats Act	Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963
p.a.	Per annum
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PE	Private equity
Pending Costs	Estimated construction costs including statutory costs yet to be incurred to complete the project
Permitted South African Offerees	Any person who does not fall within the definition of the public as contemplated in chapter 4 of the South African Companies Act or any other person to whom an offer of the Equity Shares in South Africa may lawfully be made
PFIC	Passive Foreign Investment Company
PIL	Public interest litigation
Profit After Tax Margin	Profit after tax as a percentage of revenue from operations.
psf	Per square feet
PSU	Public sector undertaking
R&D	Research and development
REIT	Real Estate Investment Trust
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended
Regulation D	Regulation D under the U.S. Securities Act
Regulation S	Regulation S under the U.S. Securities Act
Relevant State	Each member state of the European Economic Area and the United Kingdom.
“Rs.” or “Rupees” or “INR” or “₹”	Indian Rupees, the legal currency of the Republic of India
RERA	Real Estate Regulatory Authority
SAP	System applications and products
S&P CNX NIFTY	Regional stock market index endorsed by Standard & Poor's which is composed of 50 of the largest and most liquid stocks found on the National Stock Exchange of India
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, as amended
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations,

Term	Description
	2000, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended
Secured Synthetic INR Notes	A bond issue denominated in Indian rupees
SENSEX	Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies
SEZ	Special economic zone
SFIO	Serious Fraud Investigation Office, GoI
SIBL	The Cayman Islands Securities Investment Business Law
SME	Small or medium enterprise
Sold receivables	Amount pending to be received for booked / sold area for which invoices are generated or yet to be generated and are net of taxes and refunds. This amount includes billed and unbilled receivables which are not due
SPPI	Solely payments of principal and interest
SRA	Slum Rehabilitation Authority
“Stock Exchanges” or “Indian Stock Exchanges”	BSE and NSE, taken together
STT	Securities transaction tax
“U.S.\$” or “U.S. dollar” or “USD”	United States Dollar, the legal currency of the United States
Ultra-luxury Projects	Projects with a ticket size of over ₹25 million
“USA” or “U.S.” or “United States”	United States of America
“U.S. Securities Act” or “Securities Act”	The United States Securities Act of 1933
VCF	Venture capital fund
“Video Conferencing / Other Audio-Visual Means facility” or VC / OAVM facility	Audio- visual electronic communication facility employed which enables all the persons participating in a meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting
Vizag	Visakhapatnam
VP	Vice President

SUMMARY OF BUSINESS

Overview

We are a prominent real estate developer in the Mumbai Metropolitan Region (“MMR”) and the National Capital Region (“NCR”) of India. We have a diversified presence in residential real estate developments across the Mid-income, Premium and Luxury price categories. Geographically, our strategic focus is in our key markets of MMR and NCR. As of December 31, 2021, our inventory amounted to a total Saleable Area of 17.3 million square feet, out of which 10.0 million square feet was located in the MMR region and 4.6 million square feet was located in the NCR region. Our flagship projects include Indiabulls Blu Estate & Club residential towers in Worli, Mumbai. As of the date of this Placement Document, we have 11 residential projects and 4 commercial projects in MMR, NCR, Jodhpur, Vadodara, Vizag and Indore in various stages of completion. Our shares are listed on the BSE and the NSE. Our global depository receipts (“GDRs”) are also listed on the Luxembourg Stock Exchange.

Our core competency lies in managing the real estate value chain as we have in-house capabilities to deliver a project from conceptualization to completion. We believe that a significant competitive differentiator for us has been our track record in delivering strategically-located large scale projects with high quality construction and sustainable practices. Our adept technical and design team aim to ensure efficient and quality developments. We believe we have the human capital and technology-enabled systems to successfully manage large construction projects with timely and quality execution and delivery and years of on the ground industry experience. We place an emphasis on safety in all phases of construction. We believe that our understanding of the relevant real estate market, positive perception, innovative design and marketing and branding techniques enable us to attract customers.

As of December 31, 2021, our projects with occupation certificates or that are near completion comprised of approximately 14.5 million square feet of Saleable Area, of which, approximately 13.7 million square feet or 94.5% is in residential housing, and approximately 0.8 million square feet or 5.5% comprises of commercial projects. Our ongoing projects comprised approximately 12.6 million square feet of Saleable Area, of which approximately 12.1 million square feet or 96.0% is in residential housing and 0.5 million square feet or 4.0% is in the commercial space. Our planned projects comprised approximately 7.5 million square feet of Saleable Area, of which approximately 6.1 million square feet or 81.3% is in residential housing and 1.4 million square feet or 18.7% are commercial developments. Our portfolio of ongoing projects include Blu Estate and Club (Worli), Indiabulls Park (Panvel), One Indiabulls (Thane), One Indiabulls (Gurugram) and Indiabulls One 09 (Gurugram). Further, our planned projects comprise Arivali (Panvel), Indiabulls Golf City (Savroli), Silverlake Villas (Alibaug) and Centrum (Indore).

We also have one of the largest land banks among listed Indian real estate developers (*Source: Anarock Report*). Our land banks are located near major metropolitans, including the MMR, NCR and Chennai. We believe our significant land banks allow us to seize potential market opportunities without the need to first spend time and resources locating and acquiring the land. We also have the option to monetize certain part of our land banks in non-core locations, which in turn allows us to focus on enhancing our presence in strategic locations.

On August 18, 2020, the Board of our Company approved a scheme of amalgamation (the “**Amalgamation**”) amongst the Amalgamating Group and our Company, pursuant to which NAM Estates and EOCDPL will merge with our Company (such merged entity, the “**Amalgamated Company**”), as further described in “*Proposed Merger of NAM Estates and EOCDPL with our Company*” on page 179. There can be no assurance we will receive all relevant regulatory approvals, satisfy all conditions precedents or other requirements in a timely manner or at all. For more information, please see “*Risk Factors – Internal Risk Factors – There is no assurance that the Proposed Merger will be completed in a timely manner or at all*” on page 40. For details of the rationale of the amalgamation, please see “*Proposed Merger of NAM Estates and EOCDPL with our Company – Rationale of the Proposed Merger*” on page 179. For details in relation to the combined post-amalgamation strategy, please see “*Our Strategy*” on page 171. Further, for a description of the business of the Amalgamating Group, please see “*Business of the Amalgamating Group*” on page 156.

The table below shows our key financial and operational metrics for our operations:

Particulars	As of and for the nine months ended December 31, 2021	As of and for the financial year ended		
		March 31, 2021	March 31, 2020	March 31, 2019
Sales ⁽⁷⁾ (Value in ₹ million)	7,531.3	14,883.4	7,056.3	7,230.4
Sales (Saleable Area ⁽¹⁾⁽⁷⁾ in million square feet)	1.0	1.1	0.8	1.1
Sales ⁽⁷⁾ (number of units)	542	565	539	845
Gross Collections ⁽²⁾ (₹ in million)	7,815.0	19,366.0	44,178.2	25,645.8
Completed Built-up Area (million square feet)	0.7	0.3	0.8	10.3
Debt to Equity Ratio ⁽³⁾	0.4	0.4	0.8	1.4
Revenue from operations (₹ in million)	11,918.5	15,214.2	32,707.8	49,438.9
EBITDA ⁽⁴⁾ (in ₹ million)	835.9	3,203.3	9,704.9	13,215.5

EBITDA Margin ⁽⁵⁾	7.0%	21.1%	29.7%	26.7%
Profit/(Loss) for the period/year (₹ in million)	(765.3)	47.2	1,211.1	5,043.2
Profit After Tax Margin ⁽⁶⁾	(6.4%)	0.3%	3.7%	10.2%

Notes:

- (1) Saleable Area means the total carpet area in relation to each project along with appropriate loading to adjust for common areas, service and storage area parking area, area for amenities and other open areas
- (2) Gross collections comprises collections towards residential and commercial units and land, other charges, rebates given to customers, indirect taxes and facility management charges. Includes collection from sales of apartments, plots, land and projects.
- (3) Debt to Equity Ratio means total external borrowings divided by total shareholders' fund
- (4) EBITDA means Earnings before interest, taxes, depreciation, amortisation and impairment excluding other income
- (5) EBITDA Margin means EBITDA as a percentage of revenue from operations
- (6) Profit After Tax Margin means profit after tax as a percentage of revenue from operations
- (7) For sales in terms of value, area and units considered classification based on active sales as at December 31, 2021
Gross collections, EBITDA, EBITDA Margin and Profit After Tax Margin are not recognized measures under Ind AS or other recognized accounting standards.

Our Competitive Strengths

Our key competitive strengths are set out below:

Significant inventory of completed projects or projects with OC or are near completion

We believe that customers in India have started to prefer completed projects or projects with OC or are near completion. In a survey report published in July 2021, completed and near completed property was the most preferred (32% respondents) among prospective buyers (*Source: Anarock Report*). We believe that the COVID-19 pandemic has further accentuated this trend. As of December 31, 2021, we had approximately 2.1 million square feet of completed projects and projects with OC received or that are near completion, which accounted for 20.8% of our total unsold inventory, by area. We believe that our significant inventory of completed projects and projects with OC or are near completion would allow us to cater for the preferences of prospective buyers.

Strategically located projects in the attractive MMR and NCR markets

We have a track record of delivering a quality portfolio of assets, which is strategically located in the attractive markets of MMR and NCR. As of December 31, 2021, our inventory amounted to a total Saleable Area of 17.3 million square feet, out of which 10.0 million square feet was located in the MMR region and 4.6 million square feet was located in the NCR region. The strategic locations of our projects offer significant competitive advantage in terms of higher absorption and higher average base selling price.

The MMR is considered the most attractive real estate market in the Top Seven Indian Markets, having the largest share of supply and absorption, as well as the highest average base selling price, of residential units from 2016 to 2021, catering to a wide spectrum of income and demography. The NCR is also ranked in the Top Seven Indian Market in terms of supply, absorption and average base selling price, of residential units from 2015 to 2021 (*Source: Anarock Report*). We believe that each of the MMR and NCR has significant depth of demand for real estate developments across price points. We also believe that each of the MMR and NCR real estate markets has high barriers to entry due to limited land availability, high prices of land and knowledge of the regulatory and approval processes required for developing a project. As a result of our significant land banks, industry knowledge and familiarity with the regulatory environment in the MMR and the NCR, we have ranked as a prominent developer in South Central Mumbai, Thane and Navi Mumbai micro-markets of the MMR, and in the Dwarka Expressway micro-markets of Gurugram City, NCR (*Source: Anarock Report*).

In addition, we have several planned projects in the MMR, which we believe will enable us to have a robust launch pipeline over the next few years. Our planned residential projects are spread across several micro-markets in the MMR, such as Worli, Panvel and Thane. We also believe that we are well positioned to benefit from the expected increase in real estate demand as the Government commits infrastructure spending in the MMR.

Further, our ongoing and planned projects also benefit from the infrastructure developments within their vicinity, as set forth below:

- Blu Estate & Club, Worli is located adjacent to the Acharya Atre Station on the Colaba-Seepz Metro corridor in Mumbai;
- Our projects in Gurugram are located on National Highway-8 and the Dwarka Expressway;
- One Indiabulls Thane is located close to a proposed metro station and major arterial roads; and
- Indiabulls Greens Panvel is located close to the proposed Navi Mumbai International Airport and is connected to South Mumbai via the proposed Mumbai Trans Harbour Link.

The performance of our projects is also driven by their respective micro-markets. We have localized teams from various functions (including sales, liaisons and construction) within the MMR and NCR real estate markets with experience operating in their respective micro-markets. Such experience in turn enables us to take advantage of any changes in the market conditions, regulatory environment and overall demand in our respective micro-markets.

Strong Sales and Marketing Capabilities

Our marketing and sales team track market trends which enables us to position our projects appropriately in terms of location and price points, and creates a cohesive marketing strategy catered for each project.

Our marketing team is divided into various cells, including brand management, customer and market insights and digital marketing. Our brand management team focuses on establishing our corporate and product brands. The team has brand managers who are responsible for media planning and executing marketing campaigns. Our customer and market insights team relies on detailed market studies and surveys to understand various locations. Our digital marketing team creates brand awareness and lead generation via digital and social media across brands. We have carried out several digital media led branding campaigns.

We use differentiated sales strategies and multiple channels to sell our products. We have in-house sales teams which are focused on outstation markets, MMR and NCR. In addition, we have recently adopted a digital sales channel, pursuant to which a prospective customer is provided with the project related information through virtual meets as well as one-on-one meetings with our sales manager prior to the site visit. We also have a distribution network of channel partners.

We believe that our strong sales and marketing capabilities, including the ability to anticipate customer demands, provide customers services from booking a unit until handover, enables us to achieve strong sales of our units for our respective projects.

Focus on sustainable development

We believe in sustainable and environment-friendly practices, and have implemented the following practices across our developments: solar energy systems, rainwater harvesting and percolation pits, eco-friendly landscaping, water saving features, efficient façade designs that reduces glass reflection, thereby maximizing daylight and reducing energy consumption, efficient water usage through sewage treatment plant recycling, organic waste treatment and energy efficient buildings with eco-friendly equipment.

- We promote the use of innovative technology such as green buildings and other energy efficient measures for the construction of our projects. We continue to collaborate with contractors and partners to explore measures for conservation of energy and resources, utilize alternate sources of energy and invest in energy conservation equipment. Some of our best practices are comprehensive energy-modeling during the design stage to achieve energy conservation, passive techniques for cooling such as optimum building envelope design, climate appropriate material, energy-saving LED light fixtures, replacement of lighting system with LEDs in our offices and periodic training sessions for employees. Further, we have implemented an environment management system which involves setting up organic waste management controls over several projects to monitor waste management.

Our Strategies

The key elements of strategy are set out below:

Focus on enhancing leadership position in residential developments by growing in the MMR and NCR

- We intend to continue to grow in MMR and NCR where a majority of our ongoing and planned projects are located.
- We intend to complete the remaining phase of the Indiabulls Blu project and our residential projects in Panvel, Savroli, Thane and Gurugram.

Continue to grow our business pursuant to a joint development, joint venture or development management approach

- We intend to leverage market leadership position to grow our business by entering into joint development agreements, joint ventures or development management arrangements with landowners and other smaller developers. We believe that such an approach will enable us to be more capital efficient and reduce our upfront land acquisition costs.
- We intend to follow this strategy in MMR and NCR.

Utilise our land reserves

- We intend to seek opportunities to develop our existing land reserves by developing these as projects.
- We also intend to monetize identified land parcels. For example, on January 25, 2022, we entered into a term sheet regarding the potential sale of a land parcel at Gurugram to a third party for approximately ₹ 5,800 million (the "Disposal"). Subsequently on April 8, 2022, we entered into a share purchase agreement with the relevant party relating to the aforementioned Disposal, which is subject to the satisfaction of certain conditions precedent. For more information, please see "Our Business – Recent Development – Disposal of Land Parcel at Sector 106, Gurgaon" on page 143.

Focus on execution to capitalise on industry trends

- According to the Anarock Report, apart from the structural longer term drivers, housing demand is likely at the cusp of a cyclical inflection point which could potentially see a sustained volume as well pricing growth in the near to medium term. This is on account of:
 - Narrowing of gap of rental yield to home loan rates, which will further increase the preference of purchasing home over renting it.
 - An increase in household income coupled with steady ticket prices have resulted in an increase in affordability of residential units.
- The Indian real estate sector has witnessed consolidation in the past few years. On account of the liquidity crunch being faced by smaller developers in addition to a shift in buyers' preference towards developers with strong execution record, consolidation is likely to take place further in the real estate sector (Source: Anarock Report).
- We intend to capitalize on these industry trends by:
 - focusing on the monetization of the existing inventory and completion of ongoing and planned projects within delivery timelines.
 - Further enhancing our execution capabilities and track record

Rationale for the Scheme and Integration

As per the Scheme, the rationale for the Proposed Merger includes the following:

- diversification across real estate asset classes and geographies
- consolidation of business resulting in synergies, reduction of operational costs and increase in operational efficiencies
- rationalization and streamlining of the management structure
- benefits of size and scale, which will in turn provide opportunities for new investments
- consolidation of resources

Assuming completion of the Proposed Merger, our Company will seek to operationalize the points above, as follows:

- ***Focus on core markets of MMR, NCR and Bengaluru to benefit from geographic and asset diversification***
 - The Proposed Merger will provide us with benefits of geographic diversification across key markets of MMR, NCR and Bengaluru and a well-balanced portfolio of residential and commercial real estate.
 - We believe our near term focus post completion of the Proposed Merger should be on the core markets of MMR, NCR and Bengaluru.
 - Further, within the residential asset class, the Proposed Merger will provide benefits of diversification between high-value and high-volume assets.
- ***Focus on asset light growth under a joint development, joint venture or development fee management model***
 - We intend to leverage the benefits of scale that the Proposed Merger will provide to further grow our business by entering into joint development agreements, joint ventures or development management arrangements with landowners and other smaller developers. We believe that such an approach will enable us to be more capital

efficient and reduce our upfront land acquisition costs. We intend to follow this strategy in the MMR and Bengaluru, especially in micro-markets where we have a limited presence.

- ***Focus on execution of ongoing and planned projects***
 - We will continue to focus on the monetization of the existing inventory and completion of ongoing and planned projects within delivery timelines.
- ***Asset monetization of land reserves***
 - We will opportunistically consider monetizing land forming part of our land reserves, which is located in “non-core” locations.
 - We will also opportunistically consider monetizing our commercial assets to listed REITs and institutional investors.
- ***Prudent capital management***
 - The Proposed Merger will result in greater efficiency in the cash management of the Amalgamated Company and access to cash flow generated by the combined business, which can be deployed more efficiently to fund growth opportunities.
 - We will also consider opportunities to de-lever the balance sheet and further raise equity funding to reduce the cost of debt.
- ***Focus on brand re-positioning and governance***
 - After the Proposed Merger, subject to receipt of the relevant approvals, the Amalgamated Company will be renamed Embassy Developments Ltd. Subject to receipt of the relevant approvals, we will focus on re-positioning under the “Embassy” brand name.
 - After the consummation of the Proposed Merger, the promoters of NAM Estates will undertake necessary corporate actions to classify themselves as promoters of the Amalgamated Company. We will focus on aligning the Amalgamated Company’s business and operations with the strategies and vision of the New Promoters.

Integration

Upon the receipt of all regulatory approvals and the completion of the conditions precedent related to the Proposed Merger, we intend to work together with the Amalgamating Group to integrate the Amalgamating Group’s operations to our business and derive synergies from the Proposed Merger. Both the Amalgamation Group and our Company have established integration committees which have begun work to understand each other’s processes with respect to:

- Projects and Operations;
- Accounting and HR policies; and
- System and IT processes.

We have relocated our offices to WeWork Mumbai and Gurgaon.

However, there is no assurance that we will receive all required regulatory approvals for the Proposed Merger or that the conditions precedent that are required will be satisfied. For further details, please see “*Risk Factors – Internal Risk Factors - There is no assurance that the Proposed Merger will be completed in a timely manner or at all*” on page 40.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including the sections “*Risk Factors*”, “*Use of Proceeds*”, “*Placement*”, “*Issue Procedure*” and “*Description of the Equity Shares*” on pages 40, 74, 209, 196 and 223, respectively.

Issuer	Indiabulls Real Estate Limited
Face Value	₹2 per Equity Share
Issue Price	₹101.10 per Equity Share
Floor Price	₹106.38 per Equity Share calculated on the basis of Regulation 176 of the SEBI ICDR Regulations. However, our Company has offered a discount of ₹5.28 per Equity Share (being equivalent to 4.96% of the Floor Price) in accordance with the approval of the shareholders of our Company accorded through their special resolution dated February 7, 2022 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue Size	Issue of 85,559,435 Equity Shares, aggregating to approximately ₹ 8,650.06 million A minimum of 10% of the Issue Size, i.e., up to 8,555,944 Equity Shares were made available for Allocation to Mutual Funds only and the balance 77,003,491 Equity Shares were made available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion would have been Allotted to other Eligible QIBs
Date of Board Resolution	December 22, 2021
Date of Shareholders’ Resolution	February 7, 2022
Eligible Investors	Eligible QIBs, to whom the Preliminary Placement Document and the Application Form were delivered and who were eligible to bid and participate in the Issue. For further details, see “ <i>Issue Procedure</i> ”, “ <i>Selling Restrictions</i> ” and “ <i>Purchaser Representations and Transfer Restrictions</i> ” on pages 196, 210 and 218, respectively. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form is delivered was been determined by our Company in consultation with the BRLMs
Equity Shares issued and outstanding immediately prior to the Issue	456,115,896 fully paid-up Equity Shares* *This includes 392,544 Equity Shares represented by 392,544 GDRs
Equity Shares issued and outstanding immediately after the Issue	541,675,331 Equity Shares* *This includes 392,544 Equity Shares represented by 392,544 GDRs
Issue Procedure	The Issue was made only to Eligible QIBs in reliance on Section 42 of the Companies Act read with Rule 14 of the PAS Rules and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations. For further details, see “ <i>Issue Procedure</i> ” beginning on page 196
Listing and trading	Our Company had obtained in-principle approvals each dated April 7, 2022 from BSE and NSE, respectively in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue Our Company will make applications to each of the Stock Exchanges after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final listing and trading approval for the Equity Shares to be issued pursuant to the Issue
Lock-up	For details of the lock-up, see “ <i>Placement – Lock-up</i> ” on page 209
Proposed Allottees	See “ <i>Proposed Allottees in the Issue</i> ” on page 245 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company
Transferability Restrictions	The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange. For details in relation to other transfer restrictions, see “ <i>Purchaser Representations and Transfer Restrictions</i> ” on page 218
Use of Proceeds	The gross proceeds from the Issue aggregated to approximately ₹8,650.06 million. The Net Proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, are expected to be approximately ₹8,400.06 million See “ <i>Use of Proceeds</i> ” on page 74 for information regarding the use of net proceeds from the Issue
Risk Factors	See “ <i>Risk Factors</i> ” on page 40 for a discussion of risks you should consider before investing in the Equity Shares
Indian taxation	See “ <i>Taxation</i> ” on page 227

Closing Date	The Allotment of the Equity Shares, expected to be made on April 12, 2022	
Ranking and Dividend	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> with the existing Equity Shares, including rights in respect of dividends The Shareholders who hold Equity Shares as on the relevant record date will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. Please see sections "<i>Dividends</i>" and "<i>Description of the Equity Shares</i>" on pages 82 and 223, respectively	
Security Codes for the Equity Shares	ISIN	INE069I01010
	BSE Code	532832
	NSE Symbol	IBREALEST

SELECTED FINANCIAL INFORMATION OF OUR COMPANY

The following selected financial information is extracted from and should be read in conjunction with, the Limited Reviewed Unaudited Consolidated Financial Results, the Limited Reviewed Unaudited Standalone Financial Results, Audited Consolidated Financial Statements and Audited Standalone Financial Statements included elsewhere in this Placement Document. Except that consolidated and standalone financial information for December 31, 2020 have been derived from the comparative financial information presented in the Limited Reviewed Unaudited Consolidated Financial Results and Limited Reviewed Unaudited Standalone Financial Results for December 31, 2021, respectively. You should refer to “Management's Discussion and Analysis of Financial Condition and Results of Operations” on page 83, for further discussion and analysis of the Limited Reviewed Unaudited Consolidated Financial Results, Limited Reviewed Unaudited Standalone Financial Results, Audited Consolidated Financial Statements and Audited Standalone Financial Statements of our Company.

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Indiabulls Real Estate Limited
Summary Consolidated Financial Results
for the nine months ended 31 December 2021

Rs. in Lakhs		
Particulars	Year to date figures for current period ended 31 December 2021	Year to date figures for previous period ended 31 December 2020
1 Income		
a) Revenue from operations	1,19,185.21	78,967.96
b) Other income	7,701.83	11,287.22
Total income	1,26,887.04	90,255.18
2 Expenses		
a) Cost of land, plots, constructed properties and others	1,01,631.63	59,444.86
b) Employee benefits expense	5,618.78	3,406.65
c) Finance costs	8,551.91	19,373.78
d) Depreciation and amortisation expense	867.98	1,451.96
e) Other expenses	11,277.27	12,689.98
Total expenses	1,27,947.57	96,367.23
3 Profit/(loss) before tax (1-2)	(1,060.53)	(6,112.05)
4 Tax expense		
a) Current tax expense - including earlier years	951.21	253.76
b) Deferred tax charge/(credit)	5,641.62	2,613.27
5 Net Profit/(Loss) after tax for the period/year (3-4)	(7,653.36)	(8,979.08)
6 Other comprehensive income		
(i) Items that will not be reclassified to profit or loss	11,606.49	2,413.51
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	2.79
		-
(iii) Items that will be reclassified to profit or loss	(2,617.48)	(2,526.42)
(iv) Income tax relating to items that will be reclassified to profit or loss	-	-
Other comprehensive income	8,989.01	(110.12)
7 Total comprehensive income for the period/year (5+6)	1,335.65	(9,089.20)
Net Profit/(loss) attributable to :		
Owners of the Holding Company	(7,692.21)	(9,011.36)
Non-controlling interests	38.85	32.28
Other comprehensive income attributable to :		
Owners of the Holding Company	8,989.01	(110.12)
Non-controlling interests	-	-
8 Earnings per equity share (Face value of Rs. 2 per equity share)		
(a) Basic (in Rs.)	(1.69)	(1.98)
(b) Diluted (in Rs.)	(1.69)	(1.98)

Indiabulls Real Estate Limited
Summary Standalone Financial Results
for the nine months ended 31 December 2021

Rs. in Lakhs		
Particulars	Year to date figures for current period ended 31 December 2021	Year to date figures for previous period ended 31 December 2020
1 Income		
a) Revenue from operations	0.29	-
b) Other income	847.54	3,193.65
Total income	847.83	3,193.65
2 Expenses		
a) Cost of sales/services	-	-
b) Employee benefits expense	532.14	203.66
c) Finance costs	3,325.22	14,469.72
d) Depreciation and amortisation expense	98.84	367.98
e) Other expenses	848.44	1,712.19
Total expenses	4,804.64	16,753.55
3 Loss before tax (1-2)	(3,956.81)	(13,559.90)
4 Tax expense		
a) Current tax expense - including earlier years	-	-
b) Deferred tax (credit)/charge	134.91	26.89
5 Loss after tax for the period/year (3-4)	(4,091.72)	(13,586.79)
6 Other comprehensive income		
(i) Items that will not be reclassified to profit or loss	10,623.93	2,190.50
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
Other comprehensive income	10,623.93	2,190.50
7 Total comprehensive income for the period/year (5+6)	6,532.21	(11,396.29)
8 Earnings per equity share (Face value of Rs. 2 per equity share)		
(a) Basic (in Rs.)	(0.90)	(2.99)
(b) Diluted (in Rs.)	(0.90)	(2.99)

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
I ASSETS		
Non-current assets		
Property, plant and equipment	2,441.14	3,478.39
Investment property	6,041.98	6,140.88
Right of use assets	74.51	3,835.11
Intangible assets	39.28	71.24
Financial assets		
Investments	14,404.60	13,029.84
Loans	572.59	1,853.65
Other financial assets	1,738.57	5,292.79
Deferred tax assets (net)	20,295.65	33,713.03
Non-current tax assets (net)	14,464.99	20,880.44
Other non-current assets	6,860.03	6,918.24
	66,933.34	95,213.61
Current assets		
Inventories	6,18,612.98	7,05,635.33
Financial assets		
Investments	105.18	157.25
Trade receivables	30,019.04	8,015.01
Cash and cash equivalents	8,116.09	4,817.43
Other bank balances	11,599.86	32,706.21
Loans	23,461.05	91,974.41
Other financial assets	93,443.55	1,56,728.77
Other current assets	14,377.62	24,413.54
Assets held for sale	9,003.87	9,003.87
	8,08,739.24	10,33,451.82
	8,75,672.58	11,28,665.43
II EQUITY AND LIABILITIES		
Equity		
Equity share capital	9,030.77	9,093.28
Instruments entirely equity in nature	42,500.00	42,500.00
Other equity	2,96,693.87	3,04,202.24
Equity attributable to the owners of the Holding Company	3,48,224.64	3,55,795.52
Non-controlling interests	1,146.34	1,104.74
Total equity	3,49,370.98	3,56,900.26
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	37,805.58	98,911.96
Lease liabilities	-	2,376.02
Provisions	1,176.00	1,572.19
Other non-current liabilities	17,048.17	17,186.97
	56,029.75	1,20,047.14
Current liabilities		
Financial liabilities		
Borrowings	69,600.00	-
Lease Liabilities	69.56	1,414.06
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	7,215.20	3,716.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,847.99	41,011.79
Other financial liabilities	59,973.17	2,52,193.19
Other current liabilities	3,02,403.06	3,44,151.59
Provisions	7,732.51	7,239.44
Current tax liabilities (net)	430.36	1,991.54
	4,70,271.85	6,51,718.03
	8,75,672.58	11,28,665.43

	For the year ended 31 March 2021 (₹ in lakhs)	For the year ended 31 March 2020 (₹ in lakhs)
Revenue		
Revenue from operations	1,52,141.75	3,27,078.42
Other income	14,064.20	16,985.14
	1,66,205.95	3,44,063.56
Expenses		
Cost of revenue		
Cost incurred during the year	24,304.66	1,33,804.83
Decrease in real estate properties	87,022.35	50,988.31
Employee benefits expense	5,206.97	11,381.77
Finance costs	22,789.01	48,116.19
Depreciation and amortization expense	1,725.01	3,076.20
Impairment losses on financial assets	-	8,395.48
Other expenses	17,638.62	42,444.23
	1,58,686.62	2,98,207.01
Profit before exceptional items, tax and share of (loss)/profit from joint ventures	7,519.33	45,856.55
Share of (loss)/profit from joint ventures	-	(158.14)
Profit before exceptional items and tax	7,519.33	45,698.41
Exceptional items - interest on income tax	-	7,931.19
Profit before tax	7,519.33	37,767.22
Tax expense		
Current tax (including earlier years)	546.41	5,032.72
Deferred tax charge	6,501.07	20,623.98
Net profit for the year	471.85	12,110.52
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Re-measurement gain/(loss) on defined benefit plans	109.51	44.65
Income tax effect	0.11	(4.82)
Equity instruments through other comprehensive income	2,896.22	(3,258.25)
Share of other comprehensive income of joint ventures accounted for using the equity method	-	(46,122.81)
Items that will be reclassified to profit and loss		
Exchange differences on translation of foreign operations	(2,700.32)	7,573.75
(Loss)/gain on net investment hedge	-	(2,577.99)
Other comprehensive income	305.52	(44,345.47)
Total comprehensive income for the year	777.37	(32,234.95)
Net profit is attributable to		
Owners of the Holding Company	430.25	12,069.23
Non-controlling interests	41.60	41.29
	471.85	12,110.52
Other comprehensive income is attributable to		
Owners of the Holding Company	305.52	(44,346.22)
Non-controlling interests	-	0.75
	305.52	(44,345.47)
Total comprehensive income is attributable to		
Owners of the Holding Company	735.77	(32,276.99)
Non controlling interests	41.60	42.04
	777.37	(32,234.95)
Earnings per equity share (face value ₹ 2 each)		
Basic (₹)	0.10	2.67
Diluted (₹)	0.10	2.67

Indiabulls Real Estate Limited
Summary Consolidated cash flow statement for the year ended 31 March 2021

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
A Cash flow from operating activities:		
Profit before tax and share of (loss)/profit from joint ventures and after exceptional items	7,519.33	37,925.36
<i>Adjustments for:</i>		
Interest expenses	22,634.78	47,939.75
Interest expense on taxation (including exceptional items)	99.60	7,931.19
Depreciation and amortization expenses	1,725.01	3,076.20
Other borrowing costs	54.63	176.44
Impairment for non-current investments	1,526.28	-
Impairment of inventory	805.00	13,569.67
Provision for expected loss	-	2,480.93
Loss on sale of property, plants and equipment (net)	38.08	14.07
Interest income	(5,496.44)	(11,390.20)
Amortisation of derivative balance (difference between forward and spot element)	-	(154.67)
Excess provision/liabilities written back	(2,013.56)	(322.77)
Provision for employee benefits	(86.93)	(91.60)
Provision for claims and compensation	455.45	7,156.53
Share based payment expense	16.11	86.68
Share of loss/(profit) from joint ventures	-	158.14
Amounts written off	90.01	355.46
Loans and non-current investments written off	-	8,395.48
Impairment in other current assets	-	1,132.77
Income on fair valuation of financial assets	(1.06)	-
Interest income on amortized cost financial assets	(83.54)	(494.39)
Profit on sale of investments in mutual funds (net)	(173.97)	(733.77)
Profit on sale of stake in joint ventures with underlying real estate business	-	(78,054.65)
Profit on sale of stake in subsidiaries with underlying real estate business	-	(4,182.42)
Net gain on settlement through merger scheme and fair value impact of assets held for sale	-	(21,406.90)
Profit on sale of investments in entity carrying out real estate business	-	(5,000.00)
Modification gain on de-recognition of lease contracts	(398.24)	(13.73)
Operating profit before working capital changes and other adjustments:	26,710.54	8,553.57
<i>Working capital changes and other adjustments:</i>		
Inventories	92,057.64	95,940.17
Trade receivables	(22,004.03)	18,952.49
Current and non-current loans	1,281.06	(17,682.63)
Other current and non-current assets	10,652.10	3,803.00
Other current and non-current financial assets	60,491.43	(12,537.29)
Trade payables	(12,651.46)	(56,796.95)
Other current and non-current financial liabilities	(35,252.21)	20,685.37
Other current and non current liabilities	(41,393.04)	(92,623.33)
Cash used in operating activities	79,892.03	(31,705.60)
Income taxes refund / (paid) (net)	5,451.76	(11,483.30)
Net cash generated from / (used in) operating activities	85,343.79	(43,188.90)
B Cash flow from investing activities:		
Purchase of property, plant and equipment, investment property and intangible assets (including capital advances)	(8.63)	(925.31)
Proceeds from sale of property, plant and equipment and intangible assets	20.67	93.32
Movement in fixed deposits (net)	24,322.20	(11,118.00)
Proceed from sale of non-current investments	-	3,17,849.96
Purchase of non-current investments	-	(1,891.00)
Proceed from sale of current investments (net)	227.10	735.64
Inter-corporate loans received back / (given) (net)	62,162.74	(32,877.19)
Interest received	10,358.17	5,995.95
Net cash generated from investing activities	97,082.25	2,77,863.37
C Cash flow from financing activities: (refer Note 52)		
Proceeds from issue of equity share capital (including securities premium)	-	2,171.06
Acquisition of treasury shares	(1,393.22)	-
Proceeds from borrowings from banks	714.00	43,498.10
Repayment of borrowings to banks	(1,21,058.08)	(37,941.70)
Proceeds from issue of debentures	5,000.00	35,000.00
Redemption of debentures	(98,209.33)	(76,791.00)
Proceeds from issue of commercial paper	8,000.00	1,01,500.00
Repayment of commercial paper	(8,000.00)	(2,03,000.00)
Proceeds of borrowings from others	4,20,500.00	-
Repayment of borrowings from others	(3,55,900.00)	-
Interest and other borrowing costs paid	(28,067.60)	(51,401.22)
Payment of lease liabilities (inclusive of interest paid amounting to ₹ 135.01 lakhs (31 March 2020 ₹ 484.10 lakhs)	(713.15)	(2,072.95)
Net cash used in financing activities	(1,79,127.38)	(1,89,037.71)

	<u>31 March 2021</u> (₹ in lakhs)	<u>31 March 2020</u> (₹ in lakhs)
D Opening cash and cash equivalents of subsidiaries acquired/sold (net)	-	(1,01,110.75)
E Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	3,298.66	(55,473.99)
F Cash and cash equivalents at the beginning of the year	<u>4,817.43</u>	<u>60,291.41</u>
G Cash and cash equivalents at the end of the year (E+F)	<u><u>8,116.09</u></u>	<u><u>4,817.42</u></u>

Notes:a) **Cash and cash equivalents includes :**

Cash on hand	-	14.95
Balances with banks - in current accounts	8,116.09	4,777.32
Bank deposits with original maturity upto three months	<u>-</u>	<u>25.16</u>
Total of cash and cash equivalents	<u><u>8,116.09</u></u>	<u><u>4,817.43</u></u>

Indiabulls Real Estate Limited
Summary Standalone Balance sheet as at 31 March 2021

	31 March 2021	31 March 2020
	(₹ in lakhs)	(₹ in lakhs)
I ASSETS		
Non-current assets		
Property, plant and equipment	116.36	164.06
Right of use assets	23.03	1,849.40
Intangible assets	-	-
Financial assets		
Investments	3,79,306.46	3,83,804.89
Loans	1.87	1,129.22
Other financial assets	603.45	5,048.00
Deferred tax assets (net)	275.67	308.69
Non-current tax assets (net)	6,004.78	11,322.85
Other non-current assets	-	1.91
	3,86,331.62	4,03,629.02
Current assets		
Inventories	90.19	90.19
Financial assets		
Investments	-	1.12
Trade receivables	-	-
Cash and cash equivalents	645.70	1,480.71
Other bank balances	5,402.91	24,147.88
Loans	2,83,326.04	4,45,530.84
Other financial assets	1.50	1.01
Other current assets	1,476.42	1,313.68
Assets classified held for sale	9,003.87	9,003.87
	2,99,946.63	4,81,569.30
	6,86,278.25	8,85,198.32
II EQUITY AND LIABILITIES		
Equity		
Equity share capital	9,030.77	9,093.28
Other equity	6,23,169.54	6,35,843.50
	6,32,200.31	6,44,936.78
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	22,359.32	46,201.50
Lease liabilities	-	859.88
Provisions	44.00	24.00
	22,403.32	47,085.38
Current liabilities		
Financial liabilities		
Borrowings	17,907.45	11,973.45
Lease liabilities	10.19	769.71
Other financial liabilities	13,746.77	1,79,780.57
Other current liabilities	9.21	202.94
Provisions	1.00	2.64
Current tax liabilities (net)	-	446.85
	31,674.62	1,93,176.16
	6,86,278.25	8,85,198.32

Indiabulls Real Estate Limited
Summary Standalone Statement of profit and loss for the year ended

	31 March 2021	31 March 2020
	(₹ in lakhs)	(₹ in lakhs)
Revenue		
Revenue from operations	596.41	36,284.73
Other income	4,121.99	27,216.87
	4,718.40	63,501.60
Expenses		
Cost of revenue	-	7,042.57
Employee benefits expense	244.65	208.30
Finance costs	16,005.89	30,160.25
Depreciation and amortisation expense	388.43	960.76
Impairment losses on financial assets	-	14,952.41
Other expenses	2,005.87	15,230.54
	18,644.84	68,554.83
Loss before tax	(13,926.44)	(5,053.23)
Tax expenses		
Current tax reversal - earlier years	-	(44.02)
Deferred tax charge	36.14	3,526.41
	36.14	3,482.39
Loss after tax	(13,962.58)	(8,535.62)
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Equity instruments through other comprehensive income	2,628.60	(2,957.18)
Re-measurement of defined benefit plans	(12.39)	13.83
Income tax effect	3.12	(3.48)
Other comprehensive income	2,619.33	(2,946.83)
Total comprehensive income for the year	(11,343.25)	(11,482.45)
Earnings per equity share of (face value ₹ 2 each)		
Basic (₹)	(3.09)	(1.88)
Diluted (₹)	(3.09)	(1.88)

Indiabulls Real Estate Limited
Summary Standalone Cash flow statement for the year ended

	31 March 2021	31 March 2020
	(₹ in lakhs)	(₹ in lakhs)
A Cash flow from operating activities:		
Loss before tax	(13,926.44)	(5,053.23)
<i>Adjustments for:</i>		
Interest expense on income tax	0.41	1.16
Interest expense on borrowings	15,927.25	29,820.06
Depreciation and amortisation expenses	388.43	960.76
Interest on lease liabilities	56.48	217.03
Other borrowing costs	21.59	122.00
Profit on sale of property, plants and equipment (net)	-	(0.77)
Loss on Property, plant and equipment written off	0.49	-
Excess provision/liabilities written back	(1,733.88)	(294.63)
Loans and non current investment written off	-	10,131.36
Impairment in value of investments	115.00	849.03
Impairment in value of other financial and non-financial assets	-	5,696.05
Interest on income tax refund	(402.20)	-
Interest income	(1,630.05)	(26,159.11)
Provision for employee benefits	12.87	1.79
Share based payment expense	16.60	54.08
Balances Written Off	3.00	-
Income on fair valuation of financial assets	-	(0.08)
Mark to market loss/(gain) on forward contracts	-	2,423.31
Profit on sale of investments in subsidiary	(596.41)	-
(Profit)/loss on sale of investments (net)	(168.79)	7,468.27
Modification gain on de-recognition of lease contracts	(172.14)	(13.73)
Net gain on settlement through merger scheme and fair value impact of assets held for sale	-	(21,406.90)
Operating (loss)/profit before working capital changes and other adjustments:	(2,087.79)	4,816.45
<i>Working capital changes and other adjustments:</i>		
Inventories	-	7,042.57
Trade receivables	-	589.36
Current and non-current loans	1,127.35	16.67
Others current and non-current assets	(160.83)	567.61
Other current and non-current financial assets	25.38	820.12
Other current financial liabilities	(5,710.50)	1,699.36
Other current liabilities	(192.95)	(6,574.25)
Cash flow(used in)/from operating activities	(6,999.34)	8,977.89
Income taxes refund (net)	5,719.86	2,160.12
Net cash (used in)/from operating activities	(1,279.48)	11,138.01
B Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(1.09)	(9.13)
Proceeds from sale of property, plant and equipment	-	1.24
Movement in fixed deposits (net)	22,864.16	(14,547.30)
Proceeds from sale of investments - mutual funds (net)	169.91	668.58
Investment in subsidiary companies		
Purchase of investments - equity shares	-	(42,500.00)
Purchase of investments - preference shares	-	(1,891.00)
Purchase of investments - others	-	(0.10)
Sale of investment in subsidiary companies		
Proceeds from sale and buyback of investments - equity shares	7,591.76	2,48,759.09
Proceeds from sale of investments in joint ventures companies and others - equity shares	-	19,500.64
Proceeds from sale of investments - debentures	-	45,815.06
Proceeds from redemption of investments - preference shares and debentures	-	0.01
Inter-corporate loans and advances received back/(given to) subsidiary companies (net)	1,61,309.21	(98,230.00)
Inter-corporate loans and advances received back/(given to) joint ventures (net)	-	8,370.59
Inter-corporate loans and received back/(given to) others (net)	802.00	(1,081.23)
Interest received	1,835.10	24,868.07
Net cash generated from investing activities	1,94,571.05	1,89,724.52

Indiabulls Real Estate Limited
Summary Standalone Cash flow statement for the year ended

	31 March 2021	31 March 2020
	(₹ in lakhs)	(₹ in lakhs)
C Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	-	2,171.05
Acquisition of treasury shares	(1,393.22)	-
Proceeds from borrowings from banks	-	10,114.00
Repayment of borrowings to banks	(1,18,800.00)	(14,108.37)
Proceeds from issue of debentures	5,000.00	-
Redemption of debentures	(64,000.00)	(76,000.00)
Proceeds from issue of commercial paper	8,000.00	1,01,500.00
Repayment of commercial paper	(8,000.00)	(1,98,000.00)
Inter-corporate borrowings taken	2,66,759.05	2,13,693.00
Inter-corporate borrowings repaid	(2,65,825.05)	(2,12,049.00)
Interest paid on borrowings	(15,558.84)	(28,415.81)
Payment of lease liabilities {inclusive of interest paid amounting to ₹ 56.48 lakhs (31 March 2020 ₹ 217.03 lakhs)}	(286.93)	(813.43)
Other borrowing costs	(21.59)	(121.99)
Net cash (used in)/flow from financing activities	(1,94,126.58)	(2,02,030.55)
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	(835.01)	(1,168.02)
E Cash and cash equivalents at the beginning of the year (refer note a below)	1,480.71	2,648.73
F Cash and cash equivalents at the end of the year (D+E)	645.70	1,480.71

Note:

a) Cash and cash equivalents includes :

Cash on hand	-	0.09
Balances with banks		
In current accounts	645.70	1,480.62
	645.70	1,480.71

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
I ASSETS		
Non-current assets		
Property, plant and equipment	3,478.39	5,130.61
Investment property	6,140.88	13,682.95
Right of use assets	3,835.11	-
Intangible assets	71.24	105.67
Investment accounted for using the equity method	-	2,40,331.84
Financial assets		
Investments	13,029.84	16,324.39
Loans	1,853.65	2,387.36
Other financial assets	5,292.79	23,922.97
Deferred tax assets (net)	33,713.03	61,367.07
Non-current tax assets (net)	20,880.44	21,318.70
Other non-current assets	6,918.24	17,367.32
	95,213.61	4,01,938.88
Current assets		
Inventories	7,05,635.33	9,84,886.43
Financial assets		
Investments	157.25	159.12
Trade receivables	8,015.01	26,967.50
Cash and cash equivalents	4,817.43	60,291.41
Other bank balances	32,706.21	13,488.68
Loans	91,974.41	53,897.60
Other financial assets	1,56,728.77	933.22
Other current assets	24,413.54	41,912.20
Assets held for sale	9,003.87	34,706.36
	10,33,451.82	12,17,242.52
	11,28,665.43	16,19,181.40
II EQUITY AND LIABILITIES		
Equity		
Equity share capital	9,093.28	9,013.61
Instruments entirely equity in nature	42,500.00	1,04,828.00
Other equity	3,04,202.24	2,85,998.40
Equity attributable to the owners of the Holding Company	3,55,795.52	3,99,840.01
Non-controlling interests	1,104.74	1,062.70
Total equity	3,56,900.26	4,00,902.71
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	98,911.96	3,40,530.96
Lease liabilities	2,376.02	-
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	11,764.29
Provisions	1,572.19	1,591.29
Other non-current liabilities	17,186.97	17,445.12
	1,20,047.14	3,71,331.66
Current liabilities		
Financial liabilities		
Borrowings	-	1,01,500.00
Lease Liabilities	1,414.06	-
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	3,716.42	4,632.57
Total outstanding dues of creditors other than micro enterprises and small enterprises	41,011.79	85,128.30
Other financial liabilities	2,52,193.19	1,65,819.01
Redeemable preference shares	-	45,000.00
Other current liabilities	3,44,151.59	4,42,242.54
Provisions	7,239.44	155.41
Current tax liabilities (net)	1,991.54	2,469.20
	6,51,718.03	8,46,947.03
	11,28,665.43	16,19,181.40

	For the year ended 31 March 2020 (₹ in lakhs)	For the year ended 31 March 2019 (₹ in lakhs)
Revenue		
Revenue from operations	3,27,078.42	4,94,388.89
Other income	16,985.14	9,190.87
Net gain on de-recognition of financial asset carried at amortised cost	-	18,713.45
	3,44,063.56	5,22,293.21
Expenses		
Cost of revenue		
Cost incurred during the year	1,33,804.83	2,02,619.70
Decrease in real estate properties	50,988.31	1,51,231.61
Employee benefits expense	11,381.77	13,848.42
Finance costs	48,116.19	46,431.69
Depreciation and amortization expense	3,076.20	1,744.56
Impairment losses on financial assets	8,395.48	-
Other expenses	42,444.23	22,438.91
	2,98,207.01	4,38,314.89
Profit before exceptional items, tax and share of (loss)/profit from joint ventures	45,856.55	83,978.32
Share of (loss)/profit from joint ventures	(158.14)	399.11
Profit before exceptional items and tax	45,698.41	84,377.43
Exceptional items - interest on income tax	7,931.19	-
Profit before tax	37,767.22	84,377.43
Tax expense		
Current tax (including earlier years)	5,032.72	412.08
Deferred tax charge	20,623.98	33,533.83
Net profit for the year	12,110.52	50,431.52
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Re-measurement gain/(loss) on defined benefit plans	44.65	(258.94)
Income tax effect	(4.82)	33.14
Net loss on equity instruments through other comprehensive income	(3,258.25)	(5,913.12)
Share of other comprehensive income of joint ventures accounted for using the equity method	(46,122.81)	(411.20)
Items that will be reclassified to profit and loss		
Exchange differences on translation of foreign operations	7,573.75	1,217.91
(Loss)/gain on net investment hedge	(2,577.99)	2,577.99
Other comprehensive income	(44,345.47)	(2,754.22)
Total comprehensive income for the year	(32,234.95)	47,677.30
Net profit is attributable to		
Owners of the Holding Company	12,069.23	50,414.57
Non-controlling interests	41.29	16.95
	12,110.52	50,431.52
Other comprehensive income is attributable to		
Owners of the Holding Company	(44,346.22)	(2,757.28)
Non-controlling interests	0.75	3.06
	(44,345.47)	(2,754.22)
Total comprehensive income is attributable to		
Owners of the Holding Company	(32,276.99)	47,657.29
Non controlling interests	42.04	20.01
	(32,234.95)	47,677.30
Earnings per equity share		
Basic (₹)	2.67	11.04
Diluted (₹)	2.67	11.04

Indiabulls Real Estate Limited
Summary Consolidated cash flow statement for the year ended 31 March 2020

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
A Cash flow from operating activities:		
Profit before tax and share of (loss)/profit from joint ventures and after exceptional items	37,925.36	83,978.32
<i>Adjustments for:</i>		
Interest expenses	47,939.75	45,966.08
Interest expense on taxation (including exceptional items)	7,931.19	165.37
Depreciation and amortization expenses	3,076.20	1,744.56
Other borrowing costs	176.44	300.24
Impairment of inventory	13,569.67	72,380.00
Provision for expected loss	2,480.93	1,796.72
Loss on sale of property, plants and equipment (net)	14.07	463.75
Interest income	(11,390.20)	(4,268.30)
Amortisation of derivative balance (difference between forward and spot element)	(154.67)	(664.43)
Excess provision/liabilities written back	(322.77)	(737.19)
(Reversal)/provision for employee benefits	(91.60)	481.76
Provision for claims and compensation	7,156.53	-
Share based payment expense	86.68	351.31
Share of loss/(profit) from joint ventures	158.14	(12.09)
Amounts written off	355.46	-
Loans and non-current investments written off	8,395.48	115.00
Impairment in other current assets	1,132.77	-
Interest income on amortized cost financial assets	(494.39)	(1,457.26)
Profit on sale of investments in mutual funds (net)	(733.77)	(1,624.48)
Profit on loss of control in subsidiaries and gain on fair valuation of remaining stake	-	(13,390.02)
Profit on sale of stake in joint ventures with underlying real estate business	(78,054.65)	-
Profit on sale of stake in subsidiaries with underlying real estate business	(4,182.42)	(1,414.67)
Net gain on settlement through merger scheme and fair value impact of assets held for sale	(21,406.90)	-
Profit on sale of investments in entity carrying out real estate business	(5,000.00)	(4,448.78)
Gain on amortized cost financial asset	-	(18,713.45)
Modification gain on de-recognition of lease contracts	(13.73)	-
Operating profit before working capital changes and other adjustments:	8,553.57	1,61,012.44
<i>Working capital changes and other adjustments:</i>		
Inventories	95,940.17	85,187.02
Trade receivables	18,952.49	(25,761.05)
Current and non-current loans	(17,682.63)	12,967.96
Other current and non-current assets	3,803.00	(11,357.24)
Other current and non-current financial assets	(12,537.29)	(16,249.08)
Trade payables	(56,796.95)	36,026.04
Other current and non-current financial liabilities	20,685.37	33,201.48
Other current liabilities	(92,623.33)	(3,87,443.17)
Non-current liabilities and provisions	-	(14.76)
Cash used in operating activities	(31,705.60)	(1,12,430.36)
Income taxes paid (net)	(11,483.30)	(3,499.50)
Net cash used in operating activities	(43,188.90)	(1,15,929.86)
B Cash flow from investing activities:		
Purchase of property, plant and equipment, investment property and intangible assets (including capital advances)	(925.31)	(12,534.78)
Proceeds from sale of property, plant and equipment and intangible assets	93.32	8,910.77
Movement in fixed deposits (net)	(11,118.00)	(2,363.80)
Proceeds from redemption of investments - preference shares	-	25,177.00
Proceed from sale of non-current investments	3,17,849.96	64,646.71
Purchase of non-current investments	(1,891.00)	(3,411.08)
Proceed from sale/(purchase) of current investments (net)	735.64	1,39,425.83
Inter-corporate loans given (net)	(32,877.19)	(45,167.19)
Interest received	5,995.95	3,800.11
Net cash flow from investing activities	2,77,863.37	1,78,483.57
C Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	2,171.06	1,070.53
Buyback of equity shares	-	(44,766.26)
Proceeds from issue of preference shares	-	45,000.00
Proceeds from borrowings from banks	43,498.10	3,77,155.35
Repayment of borrowings to banks	(37,941.70)	(3,78,223.41)
Proceeds from issue of debentures	35,000.00	49,732.00
Redemption of debentures	(76,791.00)	(1,62,500.00)
Proceeds from issue of commercial paper	1,01,500.00	4,23,000.00
Repayment of commercial paper	(2,03,000.00)	(4,14,000.00)
Interest and other borrowing costs paid	(51,401.22)	(66,004.33)
Payment of lease liabilities (inclusive of interest paid amounting to ₹ 484.10 lakhs)	(2,072.95)	-
Net cash used in financing activities	(1,89,037.71)	(1,69,536.12)

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
D Opening cash and cash equivalents of subsidiaries acquired/sold (net)	(1,01,110.75)	(83.29)
E Net decrease in cash and cash equivalents (A+B+C+D)	(55,473.99)	(1,07,065.70)
F Cash and cash equivalents at the beginning of the year (refer note a below)	60,291.41	1,67,357.11
G Cash and cash equivalents at the end of the year (E+F)	<u>4,817.42</u>	<u>60,291.41</u>
Notes:		
a) Cash and cash equivalents includes :		
Cash on hand	14.95	11.46
Balances with banks - in current accounts	4,777.32	10,981.26
Bank deposits with original maturity upto three months	25.16	49,298.69
Total of cash and cash equivalents	<u>4,817.43</u>	<u>60,291.41</u>

Indiabulls Real Estate Limited
Summary Standalone Balance sheet as at 31 March 2020

	31 March 2020	31 March 2019
	(₹ in lakhs)	(₹ in lakhs)
I ASSETS		
Non-current assets		
Property, plant and equipment	164.06	221.12
Right of use assets	1,849.40	-
Intangible assets	-	1.66
Financial assets		
Investments	3,83,804.89	6,09,712.33
Loans	1,129.22	1,290.22
Other financial assets	5,048.00	16,920.24
Deferred tax assets (net)	308.69	3,838.58
Non-current tax assets (net)	11,322.85	10,666.87
Other non-current assets	1.91	58.85
	4,03,629.02	6,42,709.87
Current assets		
Inventories	90.19	7,132.76
Financial assets		
Investments	1.12	1.04
Trade receivables	-	589.36
Cash and cash equivalents	1,480.71	2,648.73
Other bank balances	24,147.88	5,970.75
Loans	4,45,530.84	3,69,207.25
Other financial assets	1.01	2.03
Other current assets	1,313.68	2,911.79
Assets held for sale	9,003.87	34,706.36
	4,81,569.30	4,23,170.07
	8,85,198.32	10,65,879.94
II EQUITY AND LIABILITIES		
Equity		
Equity share capital	9,093.28	9,013.61
Other equity	6,35,843.50	6,45,162.54
	6,44,936.78	6,54,176.15
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	46,201.50	2,10,143.94
Lease liabilities	859.88	-
Provisions	24.00	33.30
	47,085.38	2,10,177.24
Current liabilities		
Financial liabilities		
Borrowings	11,973.45	1,06,829.45
Lease liabilities	769.71	-
Other financial liabilities	1,79,780.57	87,914.53
Other current liabilities	202.94	6,777.19
Provisions	2.64	5.38
Current tax liabilities (net)	446.85	-
	1,93,176.16	2,01,526.55
	8,85,198.32	10,65,879.94

Indiabulls Real Estate Limited
Summary Standalone Statement of profit and loss for the year ended 31 March 2020

	31 March 2020	31 March 2019
	(₹ in lakhs)	(₹ in lakhs)
Revenue		
Revenue from operations	36,284.73	11,707.20
Other income	27,216.87	25,051.19
Net gain on de-recognition of financial asset carried at amortised cost	-	18,713.45
	63,501.60	55,471.84
Expenses		
Cost of revenue	7,042.57	-
Employee benefits expense	208.30	633.51
Finance costs	30,160.25	33,042.13
Depreciation and amortisation expense	960.76	83.78
Impairment losses on financial assets	14,952.41	-
Other expenses	15,230.54	6,709.79
	68,554.83	40,469.21
(Loss)/profit before tax	(5,053.23)	15,002.63
Tax expenses		
Current tax reversal - earlier years	(44.02)	-
Deferred tax charge	3,526.41	4,401.44
(Loss)/profit after tax	(8,535.62)	10,601.19
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Net loss on equity instruments through other comprehensive income	(2,957.18)	(5,366.73)
Re-measurement gains on defined benefit plans	13.83	0.53
Income tax effect	(3.48)	(0.18)
Other comprehensive income	(2,946.83)	(5,366.38)
Total comprehensive income for the year	(11,482.45)	5,234.81
Earnings per equity share		
Basic (₹)	(1.88)	2.32
Diluted (₹)	(1.88)	2.32

Indiabulls Real Estate Limited
Summary Standalone Cash flow statement for the year ended 31 March 2020

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
A Cash flow from operating activities:		
(Loss)/profit before tax	(5,053.23)	15,002.63
<i>Adjustments for:</i>		
Interest on income tax	1.16	2.14
Interest on borrowings	29,820.06	32,779.96
Depreciation and amortisation expenses	960.76	83.78
Interest on lease liabilities	217.03	-
Other borrowing costs	122.00	260.03
Profit on sale of property, plants and equipment (net)	(0.77)	(1.32)
Excess provision/liabilities written back	(294.63)	(70.16)
Loans and non current investment written off	10,131.36	105.00
Impairment in value of investments	849.03	3,661.00
Impairment in value of other financial and non-financial assets	5,696.05	-
Interest income	(26,159.11)	(20,888.37)
Provision for employee benefits	1.79	6.49
Share based payment expense	54.08	237.39
Income on fair valuation of financial assets	(0.08)	(0.04)
Net gain on de-recognition of financial asset carried at amortised cost	-	(18,713.45)
Mark to market loss/(gain) on derivative contracts	2,423.31	(3,242.41)
Loss/(profit) on sale of investments (net)	7,468.27	(10,607.22)
Modification gain on de-recognition of lease contracts	(13.73)	-
Net gain on settlement through merger scheme and fair value impact of assets held for sale	(21,406.90)	-
Operating profit/(loss) before working capital changes and other adjustments:	4,816.45	(1,384.55)
<i>Working capital changes and other adjustments:</i>		
Inventories	7,042.57	-
Trade receivables	589.36	(404.17)
Current and non-current loans	16.67	(17.85)
Others current and non-current assets	567.61	(874.41)
Other current and non-current financial assets	820.12	0.10
Other financial liabilities	1,699.36	(241.91)
Other current liabilities	(6,574.25)	6,495.25
Cash flow from operating activities	8,977.89	3,572.46
Income taxes refund/(paid) (net)	2,160.12	(975.19)
Net cash flow from operating activities	11,138.01	2,597.27
B Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(9.13)	(83.25)
Proceeds from sale of property, plant and equipment	1.24	1.34
Movement in fixed deposits (net)	(14,547.30)	(9,312.73)
Proceeds from sale of investments - mutual funds (net)	668.58	29,257.47
Share application money given	-	(5,000.00)
Investment in subsidiary companies		
Purchase of investments - equity shares	(42,500.00)	(12,332.58)
Purchase of investments - debentures	-	(6.41)
Purchase of investments - preference shares	(1,891.00)	-
Purchase of investments - others	(0.10)	-
Sale of investment in subsidiary companies		
Proceeds from sale and buyback of investments - equity shares	2,48,759.09	29,799.55
Proceeds from sale of investments in joint ventures companies and others - equity shares	19,500.64	-
Proceeds from sale of investments - debentures	45,815.06	-
Proceeds from redemption of investments - preference shares and debentures	0.01	25,177.00
Inter-corporate loans and advances given to subsidiary companies (net)	(98,230.00)	(73,650.67)
Inter-corporate loans and advances received back/(given to) joint ventures (net)	8,370.59	(8,370.59)
Inter-corporate loans and advances given to others (net)	(1,081.23)	-
Interest received	24,868.07	21,449.76
Net cash flow from/(used in) investing activities	1,89,724.52	(3,071.11)

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
C Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	2,171.05	1,093.36
Buyback of equity shares	-	(44,766.26)
Proceeds from borrowings from banks	10,114.00	98,000.00
Repayment of borrowings to banks	(14,108.37)	(10,013.77)
Proceeds from issue of debentures	-	49,732.00
Redemption of debentures	(76,000.00)	(68,500.00)
Proceeds from issue of commercial paper	1,01,500.00	4,23,000.00
Repayment of commercial paper	(1,98,000.00)	(4,14,000.00)
Inter-corporate borrowings taken	2,13,693.00	3,86,752.20
Inter-corporate borrowings repaid	(2,12,049.00)	(3,86,835.25)
Interest paid on borrowings	(28,415.81)	(32,399.66)
Payment of lease liabilities (inclusive of interest paid amounting to ₹ 217.03 lakhs)	(813.43)	-
Other borrowing costs	(121.99)	(260.03)
Net cash (used in)/flow from financing activities	(2,02,030.55)	1,802.59
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	(1,168.02)	1,328.75
E Cash and cash equivalents at the beginning of the year (refer note 16)	2,648.73	1,319.98
F Cash and cash equivalents at the end of the year (D+E)	1,480.71	2,648.73
	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
a) Cash and cash equivalents includes:		
Cash on hand	0.09	0.12
Balances with banks		
In current accounts	1,480.62	2,648.61
	1,480.71	2,648.73

RELATED PARTY TRANSACTIONS

For details of the related party transactions as per the requirements under Ind AS 24, as notified under section 133 of the Companies Act, 2013 read with Ind AS rules as amended for (i) fiscal year ended March 31, 2021; (ii) fiscal year ended March 31, 2020; and (iii) fiscal year ended March 31, 2019, see “*Financial Statements*” on page 244.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Placement Document, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 140, 109 and 83 respectively, as well as the financial, statistical and other information contained in this Placement Document. For more information on our Proposed Merger (as defined below) with NAM Estates and EOCDPL (each as defined below) and the Amalgamating Group (comprising of NAM Estates, EOCDPL, Embassy East, Embassy One and Summit), prospective investors should read this section in conjunction with “Proposed Merger of NAM Estates and EOCDPL with our Company”, “Industry Overview” and “Business of the Amalgamating Group” on pages 179, 109 and 156, respectively. Further, the risk factors relating to the real estate business in relation to the Group that are included below equally apply to the real estate business of the Amalgamating Group.

To the extent the COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks described in this section, including those relating to our levels of indebtedness, our ability to comply with the covenants contained in the agreements that govern our indebtedness, our ability to obtain the relevant approvals for undertaking construction on our projects in a timely manner (or at all) and our ability to complete and deliver our projects in a timely manner (or at all). In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisers about the particular consequences to you of an investment in our Equity Shares.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Placement Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For details, see “Forward-Looking Statements” on page 19.

Certain information contained in this section is taken from the report titled “Real Estate Industry Report”, dated April 4, 2022 prepared by Anarock Property Consultants Private Limited and commissioned and paid for by our Company. The financial information included in this section for financial years 2021, 2020 and 2019 has been extracted from our Audited Consolidated Financial Statements and Audited Standalone Financial Statements beginning on pages F-1 and F-252, respectively. The financial information included in this section for the nine months period ended December 31, 2021 and December 31, 2020 has been extracted from our Limited Review Unaudited Consolidated Financial Statements and Limited Review Unaudited Standalone Financial Statements beginning on pages F-451 and F-457, respectively.

Unless otherwise stated, references in this section to “we”, “us”, or “our” (including in the context of any financial or operational information) are to Indiabulls Real Estate Limited, along with our Subsidiaries on a consolidated basis, and references to “our Company” or “the Issuer” are to Indiabulls Real Estate Limited.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risk Factors

Business Risks

1. There is no assurance that the Proposed Merger will be completed in a timely manner or at all.

On August 18, 2020, the Board of our Company approved a scheme of amalgamation (the “**Scheme**”) amongst the Amalgamating Group and our Company, pursuant to which NAM Estates and EOCDPL will merge with our Company (such merged entity, the “**Amalgamated Company**”), as further described in “Proposed Merger of NAM Estates and EOCDPL with our Company” on page 179. However, the Proposed Merger is subject to certain conditions precedents which are described in the section entitled “Proposed Merger of NAM Estates and EOCDPL with our Company – Conditions” on page 179.

As of the date of this Placement Document, we and the Amalgamating Group have obtained the following regulatory approvals or as the case may be, completed the following conditions precedents:

- the approval by the requisite majorities of the classes of persons, including shareholders, creditors of NAM Estates, EOCDPL and our Company;
- the approval by Competition Commission of India; and
- approvals by the National Stock Exchange of India Limited and BSE Limited (which was issued after the receipt of observations and comments from SEBI acting through its designated exchange, BSE Limited).

As of the date of this Placement Document, the outstanding regulatory approvals or other conditions precedent include the following:

- the sanctioning of the scheme by the NCLT, whether with any modifications or amendments as the NCLT may deem fit or otherwise;
- compliance by NAM Estates, EOCDPL and our Company with any other conditions stipulated by any governmental authority, including the sanctions and orders of the NCLT in a form and substance acceptable to the Amalgamating Companies and Amalgamated Company; and
- other governmental approvals and regulatory filings, including filing certified copies of the NCLT orders sanctioning the scheme with the Registrar of Companies.

Further, the Proposed Merger is also conditional upon completion of certain swap arrangements and other steps, including *inter alia*,

- (1) *Acquisition of entire shareholding in Embassy East, Embassy One and Summit by NAM Estates*: issuance of equity shares of NAM Estates to the shareholders of Embassy East, Embassy One and Summit (collectively, “**Specified Companies**”) in exchange for the securities held by them in the respective Specified Companies, such that the Specified Companies become wholly owned subsidiaries of NAM Estates (“**Acquisition of Specified Companies**”);
- (2) *Demerger of business relating to the information technology parks from IPPL*: Demerger of one of the businesses of IPPL pertaining to owning, operating and maintaining of the information technology parks pursuant to a scheme of demerger (“**IPPL Demerger**”) whilst the other business in relation to construction and development of residential apartments will continue to be part of IPPL; and
- (3) *Acquisition of entire shareholding in IPPL by EOCDPL post the IPPL Demerger and pursuant to Proposed Merger*: Upon completion of the IPPL Demerger and pursuant to the Proposed Merger, issuance of securities of EOCDPL to the shareholders of IPPL in exchange for the securities held by them in IPPL, such that IPPL becomes wholly owned subsidiary of EOCDPL (“**IPPL Acquisition**”).

For further details of the swap arrangements, see “*Proposed Merger of NAM Estates and EOCDPL with our Company*” on page 179.

The aforementioned swap arrangements are subject to and conditional on, *inter alia* (a) terms of the respective swap arrangements and completion of various conditions therein; (b) receipt of necessary lender consents and compliance with conditions, if any, stipulated in such lender consents; and (c) relevant government and other approvals and no objection certificates and compliance with conditions, if any, stipulated in such approvals. Further, aforesaid swap arrangement involving Summit is conditional on acquisition by EPDPL or its affiliates, of certain securities of Summit which are currently held by certain third-party investors. Any delays or inability to obtain relevant consents or approvals or in completing various preconditions to the swap arrangements, including acquisition of securities from third party investors of Summit may delay or adversely impact the ability to give effect to the swap arrangement and in turn, the Proposed Merger.

While amalgamation of NAM Estates with our Company is severable and capable of being made effective independently, the amalgamation of EOCDPL with our Company as contemplated under the Proposed Merger can only be made effective once the amalgamation of NAM Estates with our Company is completed and made effective. Furthermore, completion of amalgamation of NAM Estates with our Company as contemplated in the Proposed Merger is contingent on completion of the Acquisition of the Specified Companies and completion of the amalgamation of EOCDPL as contemplated in the Proposed Merger is contingent upon completion of the IPPL Acquisition. In the event the Scheme is not implemented, the Company is obliged to acquire IPPL under certain contractual obligations.

For further details of the key terms of the Proposed Merger, see “*Proposed Merger of Nam Estates and EOCDPL with our Company*” on page 179. There can be no assurance that we will receive the relevant approvals or satisfy the other conditions precedent in a timely manner, or at all. In the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Proposed Merger shall become null and void, which may affect our or as the case may be, the Amalgamating Group’s business, results of operations, financial condition, cash flows and trading price

of our or as the case may be, the Amalgamating Group's Equity Shares.

2. ***Our Promoter and Promoter Group are in the process of being re-classified to the “public” category, and after such reclassification becomes effective and before the completion of the Proposed Merger, we may become a professionally managed company without an identifiable promoter or promoter group.***

As per the terms of the Scheme, if the shareholding of the Promoter and Promoter Group of our Company in the Amalgamated Company falls to or below 10% at any time including pursuant to the effectiveness of the Scheme, our Company and the Promoter are required to take appropriate steps to reclassify the Promoter and Promoter Group of our Company as ‘public shareholders’ in accordance with the applicable law. As on December 31, 2021, the total shareholding of the Promoter and Promoter Group in our Company was equivalent to 0.26% of the total paid-up share capital of our Company. The Promoter and Promoter group of our Company (“**Outgoing Promoters**”) have through their request letter dated January 1, 2022 (“**Request Letter**”), sought reclassification from ‘promoter and promoter group’ category to ‘public’ category in accordance with Regulation 31A of the SEBI Listing Regulations. Through the Request Letter, the Outgoing Promoters have, *inter alia*, submitted that, (i) during the pendency of the Proposed Merger, the day to day operations of our Company are being controlled and managed professionally by its Board of Directors and the management team; and (ii) the Outgoing Promoters are not involved in the day to day management of our Company, are not associated with our business, do not exercise control over our Company, directly or indirectly, nor do they have any influence over the business and policy decisions of our Company. The Board of Directors and Shareholders of our Company have considered and approved the request of Outgoing Promoters for re-classification from ‘promoter and promoter group’ category to ‘public’ category in their meetings dated January 5, 2022 and February 7, 2022, respectively subject to receipt of approval from the Stock Exchanges in accordance with SEBI Listing Regulations. Our Company has filed applications, dated February 14, 2022 with the Stock Exchanges (“**Re-classification Application**”). The Re-classification Application is subject to receipt of final approval from the Stock Exchanges in accordance with the SEBI Listing Regulations. After receipt of approvals from Stock Exchanges, the Outgoing Promoters will cease to be promoters of our Company and until the Scheme comes into effect and promoters of NAM Estates are classified as “Promoters” of the Amalgamated Company, our Company will be considered as a “listed entity with no promoter”. If the Proposed Merger is not completed or is subject to significant delays, our Company may become a professionally managed company which does not have an identifiable promoter for an extended period of time. In such an event, there can be no assurance that there would not be any adverse impact on our management and business operations. For further information, please see “*Proposed Merger of NAM Estates and EOCDPL with our Company – Re-classification of Promoter and Promoter Group*” on page 182.

3. ***The Proposed Merger is not yet effective and there are limitations on the information relating to the Amalgamating Group disclosed in this Placement Document.***

For the purpose of Issue, we have included certain information relating to the Amalgamating Group in this Placement Document (including without limitation, under “*Business of the Amalgamating Group*”, “*Legal Proceedings*” and “*Financial Statements*” on pages 156, 231 and 244, respectively.). The Proposed Merger is not yet effective and as such the Company and its advisers have limited access to the information relating to the Amalgamating Group. There may be risks associated with the Amalgamating Group which we are not aware of and any discovery of adverse information concerning the Amalgamating Group may result in the information contained in this Placement Document being inaccurate or inadequate and may materially and adversely affect our business, financial condition and results of operations.

4. ***Assuming the completion of the Proposed Merger, if we are unable to successfully integrate the Amalgamating Group to our business and realize the anticipated benefits of the Proposed Merger, our business, results of operations, financial condition and cash flows may be adversely affected.***

The success of the Proposed Merger (including the realization of benefits described in “*Proposed Merger of NAM Estates and EOCDPL with our Company – Rationale of the Proposed Merger*” on page 179) will depend, in part, on our ability to realize the anticipated growth opportunities and synergies from combining the businesses of the Amalgamating Group with our business. Integrating companies of such size and complexity will be a challenging task that will require substantial resources including time, expense and effort from the management. If the management's attention is diverted or there are any difficulties associated with integrating such businesses, our results of operations could be adversely affected. In particular, the Proposed Merger increases the challenges relating to:

- developing and preserving a uniform culture, values and work environment in our operations;
- integrating, recruiting, training and retaining sufficient skilled management and employees;
- obtaining any consents or authorizations that may be required in respect of our integrated operations;
- developing and improving our internal administrative infrastructure, including our financial, operational, technology and communications and other internal systems;
- integrating the work-force, network, service, distribution and operations of the businesses;

- operations in commercial real estate and in geographies such as Bengaluru with which we may be unfamiliar; and
- any unanticipated or unidentified liabilities of the Amalgamated Group.

Upon completion of the Proposed Merger, the promoters of NAM Estates will undertake the necessary corporate actions required to classify themselves as promoters of the Amalgamated Company, which will result in a new management structure in the Amalgamated Company. There can be no assurance that the new management will be able to successfully operate the Amalgamated Company.

Even if we or as the case may be, the Amalgamating Group are able to successfully combine the businesses and operations, it may not be possible to realize the full benefits of the integration opportunities (including the benefits described in “*Proposed Merger of NAM Estates and EOCDPL with our Company – Rationale of the Proposed Merger*” on page 179), the synergies that we or as the case may be, the Amalgamating Group currently expect to result from the Proposed Merger, or realize these benefits within the time frame that we currently expect. If we are unable to realize the anticipated benefits of the Proposed Merger on time, or at all, our or as the case may be, the Amalgamating Group’s business, results of operations, financial condition and cash flows could be adversely affected.

5. *We, or as the case may be, the Amalgamating Group may not be able to successfully identify and acquire suitable land or development rights, which may affect our business and growth prospects.*

Our, or as the case may be, the Amalgamating Group’s ability to identify suitable parcels of land for development, acquire development rights and subsequent sale of projects is a vital element of growing our or as the case may be, the Amalgamating Group’s business and involves certain risks, including identifying land with clean title and at locations that are preferred by the target customers. Our or as the case may be, the Amalgamating Group’s decision in relation to the acquisition of development rights involves taking into account the size and location of the land, preferences of potential customers, price of the land, economic potential of the region, the proximity of the land to civic amenities and urban infrastructure, the willingness of landowners to sell the land to us on acceptable terms or as the case may be, the ability to enter into an agreement to buy land from multiple owners, the availability and cost of financing such acquisitions, encumbrances on identified land, government directives on land use, and obtaining permits and approvals for land acquisition and development. Each of the Amalgamating Group and us has an internal assessment process for land selection and acquisition and for the joint development rights, which includes a due diligence exercise to assess the title of the land and its suitability for development and marketability. The internal assessment processes is based on information that is available or accessible to us or as the case may be, the Amalgamating Group. There can be no assurance that such information is accurate, complete or current, and any decision based on inaccurate, incomplete or outdated information may result in certain risks and liabilities associated with the acquisition of such land or joint development rights, which could adversely affect our or as the case may be, the Amalgamating Group’s business and growth prospects.

We or as the case may be, the Amalgamating Group acquire parcels of land and joint development rights at various locations, which can be subsequently consolidated to form a contiguous land area, upon which development can be carried out. While in the past we and the Amalgamating Group have acquired contiguous parcels of land for development activities, we or as the case may be, the Amalgamating Group may not be able to acquire such parcels of land in the future or may not be able to acquire such parcels of land on acceptable terms, which may affect our or as the case may be, the Amalgamating Group’s ability to consolidate these parcels of land into a contiguous land area. Failure to acquire such parcels of land may cause a delay or force us or as the case may be, the Amalgamating Group to abandon or modify the development of certain acquired parcels of land, which may result in a failure to realize profit on our or as the case may be, the Amalgamating Group’s initial investment and also affect our or as the case may be, the Amalgamating Group’s assessment of the Developable Area of our respective land bank. In connection with the acquisition of land, disputes may arise between the local government and residents as to the applicable compensation payable or residents may refuse to relocate. Such disputes could delay the resettlement process and the land acquisition and development process. There can be no assurance that such disputes would be resolved in a timely manner or at all. Additionally, we or as the case may be, the Amalgamating Group may be asked to pay premium amounts for acquiring certain large parcels of land. If we or as the case may be, the Amalgamating Group are unable to make the deferred payment consideration on time, or at all, on our respective current land bank or future land bank, it may result in disputes and ultimately affect our respective ability to develop such land and may also result in a failure to realize profit on our respective initial investment.

In addition, due to the increased demand for land in connection with the development of residential, commercial and retail properties, we or as the case may be, the Amalgamating Group may experience increased competition in our attempt to acquire land in our respective geographical areas of operations. For example, the supply of land in Mumbai and particularly in south and central Mumbai is limited and acquisition of new land in these and other parts of Mumbai poses substantial challenges and is highly competitive. Increased competition may result in a shortage of suitable land that can be used for development and can increase the price of land. We or as the case may be, the Amalgamating Group

may not be able to or may decide not to acquire parcels of land due to various factors, such as the price of land.

Further, in relation to certain parcels of land in our land bank, we or as the case may be, the Amalgamating Group have acquired only part of the undivided rights in the land and are in the process of acquiring the remaining undivided rights from other co-owners. If we or as the case may be, the Amalgamating Group experience a delay or are unable to acquire the remaining undivided rights from other co-owners, we or as the case may be, the Amalgamating Group may not be able to gain full title and develop such land. Accordingly, our or as the case may be, the Amalgamating Group's inability to acquire parcels of land may adversely affect our respective business and growth prospects.

Moreover, the availability of land, as well as its use and development, is subject to regulations by various local authorities. For example, if a specific parcel of land has been deemed as agricultural land, depending on its location, no commercial or residential development may be permitted beyond certain specified timelines or without the prior approval of the local authorities, as applicable. Further, certain land parcels can be subject to reservations, including reservations for railway lines, dams, freight corridors and road widening, and accordingly, such reserved areas will be deducted from the Developable Area. In addition, certain areas may fall under eco-sensitive or buffer or green or forest zone, and due to such zoning, there may be restrictions on carrying out developmental activities in accordance with the applicable development regulations. We or as the case may be, the Amalgamating Group may also be required by applicable laws or court orders to incur expenditures and undertake activities in addition to real estate development on certain portions of our respective land bank. Accordingly, our inability to acquire parcels of land or development rights or any restrictions on use of our land or development thereof or as the case may be, the Amalgamating Group's, may adversely affect our respective business and growth prospects. Similarly, we have also entered into agreements related to sale of certain assets and/or subsidiaries and we are obliged to comply with the conditions mentioned therein.

6. *We and the Amalgamating Group are involved in certain legal and regulatory proceedings in India which, if determined against us or as the case may be, the Amalgamating Group, may materially and adversely affect our business, reputation, financial condition, results of operations and cash flows. Our Promoter and our Joint Managing Director have been subject to regulatory proceedings in the past.*

Each of the Amalgamating Group and us are involved in certain legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, civil suits (including consumer complaints), title and land disputes, criminal cases, writ petitions, tax proceedings, regulatory and statutory actions. These legal proceedings may have been initiated by us, the Amalgamating Group or by customers, business partners, regulators, or other parties, and are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals (including respective state's Real Estate Regulatory Authorities). The details of the outstanding material litigation pending against us or as the case may be, the Amalgamating Group have been disclosed in "Legal Proceedings" on page 231. In relation to such outstanding material litigation involving us or as the case may be, the Amalgamating Group, while the amounts and interests levied thereon to the extent ascertainable and involved in these matters have been mentioned therein, the amounts and interests involved in many pending litigations are not ascertainable or quantifiable and are hence not disclosed. Further, we or as the case may be, the Amalgamating Group do not consider the entire amount involved or unquantifiable amount in respect of outstanding material litigations to be a present or a potential liability and hence contingency for the entire amount has not been provided for in the books of ours or as the case may be, the Amalgamating Group's. We, or as the case may be, the Amalgamating Group may also be subject to regulatory proceedings and investigations by regulatory or other government bodies. For example, in the past, certain fines have been imposed against the Amalgamating Group's associate, EPDPL, for non-compliances with certain SEBI Regulations relating to its non-submission of quarterly report and financial results. While such non-compliances have been rectified and there are no such outstanding fines as of the date hereof, there can be no assurance that we, or as the case may be, the Amalgamating Group would not violate any rule, law and regulation in the future, which may lead to legal proceedings and investigations against us, or as the case may be, the Amalgamating Group.

Such proceedings or investigations could divert management time and attention and consume financial resources in their defense or prosecution. Should any new developments arise, such as any rulings against us or as the case may be, the Amalgamating Group by appellate courts or tribunals, we or as the case may be, the Amalgamating Group may be required to make payments to third parties or make provisions in our financial statements that could increase expenses and current liabilities. Further, an adverse outcome in any of these proceedings or investigations may affect our or as the case may be, the Amalgamating Group's reputation, standing and future business, and could have an adverse effect on our or as the case may be, the Amalgamating Group's business, prospects, financial condition and results of operations. There can be no assurance that these proceedings will be decided in favor of us or as the case may be, the Amalgamating Group and, or that no further liability will arise out of these proceedings. We or as the case may be, the Amalgamating Group may also be subject to inspections, investigations and fines in the future, which may affect our respective business and operations.

Mr Sameer Gehlaut and certain entities promoted by him ("Noticees") received show cause notice dated May 22, 2017

("Show Cause Notice") in connection with alleged violation of SEBI (Substantial Acquisition of Shares and Takeovers Regulations) 2011 in the matter of Indiabulls Ventures Limited (now known as Dhani Services Limited). The Noticees filed the application, dated January 19, 2018, in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014, which was disposed-off by SEBI by way of settlement order dated December 10, 2018 and the settlement charges of ₹4,793,473 was paid by Noticees, resulting in the disposal of the proposed adjudication proceedings set out in the Show Cause Notice. The proceedings set out in the Show Cause Notice were accordingly disposed-off vide settlement order dated December 10, 2018, and nothing is pending as on date in the matter.

In addition, SEBI had conducted an investigation and passed an order relating to the suspected insider trading activities in the listed securities of Indiabulls Ventures Limited ("IVL") by our Joint Managing Director Mehul Johnson, among others, which was under appeal before the Securities Appellate Tribunal ("SAT") and the SAT, pursuant to its order dated April 8, 2022 allowed the appeal and held that Mehul Johnson was not in possession of unpublished price sensitive information while purchasing the listed securities of IVL.

7. *The extent to which the Coronavirus disease (COVID-19) may affect our or as the case may be, the Amalgamating Group's business and operations in the future is uncertain and cannot be predicted.*

The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. Central and state governments have imposed one or more lockdowns in response to the pandemic.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing "stay-at-home" orders and restricting the types of businesses that may continue to operate, among many others. In particular, there have been multiple waves of infections that have impacted certain countries. India also experienced several waves of COVID-19, with each wave resulting in various lockdowns and other restrictions in various parts of India. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further lockdowns or other restrictions in the foreseeable future, which may adversely affect our business operations. While certain lockdown restrictions have since been relaxed, there is no guarantee that there may not be further lockdowns and curfews. The scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe.

The COVID-19 pandemic has affected and may affect our or as the case may be, the Amalgamating Group's business, results of operations and financial condition in a number of ways, such as:

- it caused construction delays at our or as the case may be, the Amalgamating Group's ongoing projects due to several factors such as lockdowns enforced by government agencies, work-stoppage orders, disruptions in the supply of materials and shortage of labour;
- it led to transition to a work-from-home model for us and the Amalgamating Group. We and the Amalgamating Group resumed operations at our offices in a staggered manner in compliance with government guidelines; a surge in the number of COVID-19 cases in the future could result in a complete or partial closure of, or other operational issues at, our offices pursuant to government action;
- it may adversely impact our or as the case may be, the Amalgamating Group's ability to access debt and equity capital on acceptable terms, or at all, and further disruption and instability in the global financial markets, deteriorations in credit and financing conditions, or downgrades of India's credit ratings may affect our access to capital and other sources of funding necessary for our or as the case may be, the Amalgamating Group's operations or for addressing maturing liabilities on a timely basis;
- it may result in the imposition of operational guidelines or other conditions on landlords to protect the health and safety of personnel working at our or as the case may be, the Amalgamating Group's commercial developments, which may result in additional costs and demands on our or as the case may be, the Amalgamating Group's facility management team;
- it may affect our or as the case may be, the Amalgamating Group's ability to execute our or as the case may be, the Amalgamating Group's growth strategies and expand into new markets;

- it may lead to inherent productivity, connectivity, and oversight challenges due to an increase in number of individuals working from home;
- it increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics, resulting from the increase in numbers of individuals working from home;
- it may give rise to uncertainty as to whether and when government authorities would completely lift “stay-at-home” orders; and
- it may negatively affect the health of our or as the case may be, the Amalgamating Group’s personnel, particularly if a significant number of them are afflicted by COVID- 19, and could result in a deterioration in our ability to ensure business continuity during this disruption.

The COVID-19 pandemic may cause additional disruptions to operations if our or as the case may be, the Amalgamating Group’s employees or staff become sick, are quarantined, or are otherwise limited in their ability to travel or work at our or as the case may be, the Amalgamating Group’s construction sites. To contain the spread of the virus, we or as the case may be, the Amalgamating Group may be required to implement staggered shifts and other social distancing efforts at our offices and construction sites, which could result in labour shortages and decreased productivity. All of the foregoing developments may have a significant effect on our or as the case may be, the Amalgamating Group’s results of operations and financial results.

There is significant uncertainty relating to the future development of COVID-19, and the impact on our or as the case may be, the Amalgamating Group’s business may vary significantly from that estimated by our or as the case may be, the Amalgamating Group’s management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Further, as a result of the detection of new strains, evolving variants such as the ‘Omicron variant’ and subsequent waves of COVID-19 infections throughout the world, we or as the case may be, the Amalgamating Group may be subject to further lockdowns or other restrictions in the foreseeable future, which may adversely affect our or as the case may be, the Amalgamating Group’s business operations. Given the uncertainty relating to the severity of the near-term and long-term adverse impact of the COVID-19 pandemic on the global and national economy and financial markets, we or as the case may be, the Amalgamating Group are unable to accurately predict the near-term or long-term impact of the COVID-19 pandemic on our respective businesses, but remain subject to a risk that it could have a material adverse impact on our respective business, financial condition, results of operations and prospects

The impact of the COVID-19 pandemic on each of our and the Amalgamating Group’s consolidated results remains uncertain and dependent on spread of COVID-19 and steps taken by the Government to mitigate the economic impact and may differ from our or as the case may be, the Amalgamating Group’s estimates. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our or as the case may be, the Amalgamating Group’s business, results of operations and financial condition. Further, as COVID-19 adversely affects our or as the case may be, the Amalgamating Group’s business and results of operations, it may also have the effect of exacerbating many of the other risks described in this “*Risk Factors*” section.

8. ***Each of us and the Amalgamating Group are subject to risks pertaining to development agreements.***

As of December 31, 2021, the Amalgamating Group has entered into joint development agreements in relation to certain land parcels amounting to a total of 13.5 million square feet of Developable Area, amounting to 24.4% of its planned projects, on which the Amalgamating Group intends to undertake certain development activities. In addition, we may enter into joint development agreements from time to time. See “*Our Business*” on page 140 and “*Business of the Amalgamating Group*” at page 156. Such agreements confer rights on us or the Amalgamating Group to construct, develop, market and eventually sell the Saleable Area to third party buyers. Such agreements generally will not convey any interest in the title of the immovable property to us or the Amalgamating Group, as the case may be, and only the development right would be transferred to us or the Amalgamating Group. Under these agreements, we or the Amalgamating Group, as the case may be, would typically be entitled to a share in the developed property or a share of the revenues or profits generated from the sale of the developed property, or a combination of the above entitlements after adjusting the amount paid earlier, if any. Investments through development agreements involve risks, including the possibility that our, or as the case may be, the Amalgamating Group’s development partners may fail to meet their obligations under the development agreement such as fulfilment of certain financial obligations towards the development of the project, procuring certain regulatory approvals (such as approvals for change in use of the land for residential or commercial purposes), furnishing documents of title to lenders for securing financing, paying taxes and local levies on the land, curing title defects and settling title litigation within a stipulated period of time, causing the whole project to suffer. For instance, in connection with residential projects, the owner or lessee of the land is required to procure transferable development rights (“**TDR**”) to facilitate the completion of its residential project. Embassy One currently

holds a residential project in Bengaluru and is in the process of procuring TDR from the appropriate authorities. Any delay or failure to procure such TDR shall cause material impact on the project, and in turn to the overall business and growth prospects of Embassy One. There can be no assurance that projects that will involve collaboration with third parties will be completed as scheduled, or at all, or that the Amalgamating Group's ventures with these parties will be successful. Under most development agreements, we or as the case may be, the Amalgamating Group may be required to provide the owners of the land with either a refundable deposit, which is generally refundable over the construction cycle of the project. We or as the case may be, the Amalgamating Group may not be able to recover our respective deposits made to the owners of the land in case of delays or otherwise, which could have an adverse effect on our respective cash flows, financial condition and results of operations. Further, any delay or failure by counterparties to fulfil their obligations under development agreements may have an adverse effect on our or as the case may be, the Amalgamating Group's ability to complete the project on time and realize cash flows, which could in turn have an adverse effect on our or as the case may be, the Amalgamating Group's results of operations and financial condition.

Further, such development agreements may permit us or as the case may be, the Amalgamating Group only partial control over the operations of the development under certain circumstances. In the event we or the Amalgamating Group, as the case may be, do not hold the entire interest in a development, it may be necessary for us or the Amalgamating Group, as the case may be, to obtain consent from a development partner before the development partner makes or implements a particular business development decision or distribute profits to us or the Amalgamating Group, as the case may be. These and other factors may cause our or as the case may be, our or as the case may be, the Amalgamating Group's development partners to act in a way that is contrary to our or the Amalgamating Group's interests, as the case may be, or otherwise be unwilling to fulfil their obligations under their future development arrangements.

Further, we and the Amalgamating Group, as the case may be, may enter into memoranda of understanding, agreements to sell and similar agreements with land owners to acquire lands or interest in the lands or to enter into joint development agreements in the future. We or as the case may be, the Amalgamating Group may also make partial payments to such land owners or entities and, upon the successful completion of due diligence investigations, we or as the case may be, the Amalgamating Group would pay the remaining amount. Any inability to acquire such land or land development rights, or failure to recover any payments with respect to such land, may adversely affect our, or as the case may be, the Amalgamating Group's business, financial condition and results of operations. In addition, failure to complete timely registration of our or as the case may be, the Amalgamating Group's joint development agreements with the relevant regulatory authorities may have an adverse effect on our or as the case may be, the Amalgamating Group's rights to enforce such joint development agreements. For example, NAM Estates, through one of its subsidiaries, has executed a joint development agreement with the owner of the land in connection with one of its planned projects, namely Embassy Cornerstone Techvalley. However, this joint development agreement is pending registration subject to fulfilment of certain conditions precedent by the owner of the land. Non-registration of the joint development agreement may adversely impact NAM Estates' ability to enforce its rights under the joint development agreement.

Disputes that may arise between us or as the case may be, the Amalgamating Group and our development partners may cause delay in completion, suspension or complete abandonment of a project, which may adversely affect our or as the case may be, the Amalgamating Group's business, financial condition and results of operations. Additionally, any change to our or as the case may be, the Amalgamating Group's share of revenues and/or profits under any development agreement may adversely affect our or as the case may be, the Amalgamating Group's profitability from that particular project, and may also adversely affect our respective business, financial condition and results of operations.

9. *Our real estate development activities are geographically concentrated in and around the Mumbai Metropolitan Region ("MMR") and National Capital Region ("NCR"). Consequently, we are exposed to risks from economic, regulatory and other changes as well as natural disasters in the MMR and NCR, which in turn may have an adverse effect on our business, results of operations, cash flows and financial condition. Further, the real estate development activities of the Amalgamating Group are geographically concentrated in and around Bengaluru and, assuming the successful completion of the Proposed Merger, we will be exposed to concentration risks in relation to Bengaluru.*

Our real estate development activities are primarily focused in and around the MMR and NCR, which may perform differently from, and may be subject to market conditions and regulatory developments that are different from, real estate markets in other parts of India or the world. In addition, the MMR and NCR may be exposed to natural disasters and our projects in these regions may be subject to such risks. As of December 31, 2021, our inventory amounted to a total Saleable Area of 17.3 million square feet, out of which 10.0 million square feet was located in the MMR region and 4.6 million square feet was located in the NCR region. In addition, as of December 31, 2021, a significant proportion of our land bank is located in MMR and NCR, respectively. For details of our projects, see "*Our Business*" beginning on page 140. The real estate market in the MMR and the NCR may be affected by various factors outside our control, including prevailing local and economic conditions, changes in the supply and demand for properties comparable to those we develop, changes in the applicable governmental regulations, economic conditions, demographic trends, employment and income levels and interest rates, regional natural disasters, among other factors. These factors may contribute to

fluctuations in real estate prices, rate of sales and the availability of land in the MMR and the NCR and could also adversely affect the demand for and valuation of our ongoing and planned projects. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting, the real estate market in the MMR and the NCR.

Further, the real estate development activities of the Amalgamating Group are primarily focused in Bengaluru. As of December 31, 2021, the Amalgamating Group has nine planned residential development projects¹ (comprising of projects wholly owned by the Amalgamating Group or the Amalgamating Group's share of joint venture or, as the case may be, joint development agreement projects) with a Saleable Area of 6.0 million square feet and six planned commercial development projects² (comprising of projects wholly owned by the Amalgamating Group or the Amalgamating Group's share of joint venture or, as the case may be, joint development agreement projects) with a Gross Leasable Area of 42.6 million square feet within Bengaluru. Accordingly, assuming the successful completion of the Proposed Merger, we or as the case may be, the Amalgamating Group will be subject to risks relating to the concentration of a significant portion of our or as the case may be, the Amalgamating Group's portfolio in Bengaluru which is similar to the risk described above.

10. *This Placement Document does not contain any pro forma financial information to give pro forma effect to the Proposed Merger.*

This Placement Document does not contain any pro forma financial information to give pro forma effect to the Proposed Merger. Further, the historical financial information for the Amalgamating Group and IPPL may not reflect the future financial condition and results of operations of these entities or provide an understanding of our future financial condition and results of operations, if the Proposed Merger is completed. There may also be differences between our accounting policies and those of the Amalgamating Group and hence it is not possible to directly compare these financial statements.

Investors must exercise caution in relying upon the financial information of the Amalgamating Group included in this Placement Document and in comparing this information to our or as the case may be, the Amalgamating Group's historical financial information.

11. *Independent title reports or search reports have not been obtained for a large part of our land bank or as the case may be, the Amalgamating Group's land bank. In addition, title guarantee insurance is not available in India at a commercially viable cost to guarantee title or development rights in respect of land.*

Title to land in India is often fragmented and the land may, in many cases, have multiple owners. This also makes the acquisition and development process more complicated and may expose us or as the case may be, the Amalgamating Group to legal disputes and adversely affect our or as the case may be, the Amalgamating Group's land valuations. Typically, we or as the case may be, the Amalgamating Group conduct diligence and assessment exercises internally prior to acquiring land, entering into development agreements with landowners and assessing the financial viability of the projects on the basis of the documents made available. We or as the case may be, the Amalgamating Group may thereafter engage local counsel to issue title reports. With regard to certain land parcels, it is often difficult for legal counsels to satisfy themselves of certain technical requirements while assessing the title. In relation to the title search reports issued with respect to the projects or land bank of our Company and the Amalgamating Group, no separate litigation searches pertaining to the title disputes, claims or other title defects, either on the official sites (or other publicly available searches on the internet) or perusal of court records has been carried out. In addition, with respect to certain of our land parcels, certain encumbrance certificates were not available for review. Therefore, reliance has been placed on the diligence, investigation or records internally prepared by the management of our Company or the Amalgamating Group, as the case may be. There could be certain incremental suits, appeals or any other legal proceedings pending against us, the Amalgamating Group or the original owners in connection with our or as the case may be, the Amalgamating Group's properties or land bank which we, or as the case may be, the Amalgamating Group may not have been aware of. If any of such proceedings is determined adversely against the Amalgamating or us, as the case may be, our, or as the case may be, the Amalgamating Group's reputation, prospects, financial condition and results of operations may be adversely affected.

For much of our and the Amalgamating Group's purchased land, while we and the Amalgamating Group may have undertaken diligence and investigation internally, we or as the case may be, the Amalgamating Group may not have invited claims by issuing public notices, undertaken searches, verified the title of certain land parcels for the entirety of a period of 30 years (including land registry search, search on the official database maintained by the Ministry of Corporate Affairs and negative searches covering any litigation, suits etc., in the concerned courts or tribunals) or raised requisition in relation to title of the land, in terms of the documents so executed and registered we or as the case may be, the Amalgamating Group have rights/title to such pieces and parcels of lands. Also, since our land bank comprising SEZ

¹ Includes residential projects within mixed use developments.

² Includes residential projects within mixed use developments.

land in Nashik are large and fragmented and we do not have immediate plans to develop a substantial portion of these reserves, we have not obtained legal opinions and search reports, written or otherwise, with respect to all parcels of land, and the estimates of land owned are our own, without confirmation from any third party. For example, there may be certain land parcels which do not comprise any of our ongoing, completed and planned projects, with respect to which we may not have obtained independent title reports, or search report or the relevant title documents. Our failure to obtain legal opinions and search reports in respect of our land bank may result in our inability to obtain financing or sell our units constructed on such land bank in the future in a timely manner, which may adversely affect our business and results of operations. Our or as the case may be, the Amalgamating Group's failure to obtain legal opinions and search reports in respect of our respective land bank may result in our inability to obtain financing or sell our respective units constructed on such land bank in the future in a timely manner, which may adversely affect our respective business and results of operations.

Further, title guarantee insurance is not available in India at a commercially viable cost to guarantee title or development rights in respect of land. As a result, we or as the case may be, the Amalgamating Group may not obtain title guarantee insurance or obtain inadequate coverage for the title guarantee insurance. This, coupled with difficulties in verifying title to land, may increase our or as the case may be, the Amalgamating Group's exposure to third parties claiming title to the property. Consequently, we or as the case may be, the Amalgamating Group may be required to sell the property or lose title to the relevant property, which could adversely affect our or as the case may be, the Amalgamating Group's business, results of operations and financial condition.

12. *We and the Amalgamating Group rely on independent contractors to execute our respective projects and any failure on their part to perform their obligations could adversely affect our or as the case may be, the Amalgamating Group's business, results of operations and cash flows.*

We and the Amalgamating Group utilize independent contractors to execute our respective projects. If a contractor fails to perform its obligations satisfactorily or within the prescribed time periods with regard to a project, or terminates its arrangement with us or as the case may be, the Amalgamating Group, the relevant project may not be developed within the intended timeframe and at the intended cost. If this occurs, additional cost or time may be incurred to develop the property to appropriate quality standards in a manner consistent with our or as the case may be, the Amalgamating Group's development objective, which could result in reduced profits or, in some cases, significant penalties and losses, which we may not be recovered from the relevant independent contractor. There can be no assurance that the services rendered by any of our or as the case may be, the Amalgamating Group's independent contractors will always be satisfactory or match our requirements for quality. Further, we or as the case may be, the Amalgamating Group may be subject to litigation challenging the quality of our respective projects, which may adversely affect our respective business and reputation.

In addition, we or as the case may be, the Amalgamating Group may be subject to claims in the future in relation to defaults and late payments to our respective contractors, which may adversely affect our respective business, results of operations, and cash flows.

13. *We, or as the case may be, the Amalgamating Group, may not be able to obtain additional funding in a timely manner or at all in the future.*

As of December 31, 2021, we had ₹ 12,868.9 million of aggregate outstanding borrowings on a consolidated basis, all of which were secured borrowings. Our indebtedness could have important consequences and significant adverse effects on our business, including the following:

- our ability to satisfy our obligations under our financing agreements may be limited;
- our vulnerability to adverse general economic and industry conditions may be increased;
- we must use a substantial portion of our cash flow from operations to pay interest on our indebtedness, which will reduce the funds available to us for operations and other purposes;
- our ability to obtain additional financing for working capital, capital expenditure or general corporate purposes may be impaired;
- our indebtedness could limit, along with the financial and other restrictive covenants of our indebtedness, our ability to borrow additional funds and increase the cost of additional financing;
- our indebtedness could place us at a competitive disadvantage compared to our competitors that may have proportionately less debt; and

- our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate may be limited.

In response to the COVID-19 pandemic, the RBI allowed banks and lending institutions to offer moratoriums to their customers to defer payments under loan agreements until August 31, 2020. Pursuant to such measures, we availed a moratorium offered by the banks and lending institutions to defer payments under the facilities for some of our indebtedness. We cannot assure you that we will get such approvals in a timely manner, or at all. In the event, we are unable to obtain such approvals, we will be required to repay such facilities in accordance with their existing terms. For details with respect to maturity profile of our financial liabilities, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Indebtedness*” on page 106.

The Amalgamating Group faces some or all of the restrictions to that described above in relation to its borrowings. For more information on the Amalgamating Group’s borrowings, please see notes 24 and 28 of the NAM Estates Special Purpose Consolidated Financial Statements at pages F-489 and F-494, respectively, notes 17 and 20 of Embassy One audited financial statements for Fiscal 2021 at pages F-745 and F-746, respectively and notes 13 and 17 of the Embassy East Audited Standalone Financial Statements beginning at page F-867.

We or as the case may be, the Amalgamating Group may not be successful in obtaining additional funds in a timely manner, on favorable terms or at all. If we or as the case may be, the Amalgamating Group do not have access to funds required, we or as the case may be, the Amalgamating Group may be required to delay or abandon some or all of our respective planned projects or to reduce planned expenditure and advances to obtain land development rights and reduce the scale of our respective operations. Additionally, we or as the case may be, the Amalgamating Group may not be successful in maintaining or increasing the same growth rate while reducing our respective debt levels, and as a result, our business, results of operations and financial condition could be adversely affected.

14. *Our or as the case may be, the Amalgamating Group’s financing agreements impose certain restrictions on our respective operations, and failure to comply with operational and financial covenants may adversely affect our or as the case may be, the Amalgamating Group’s reputation, business and financial condition.*

Certain of our financing arrangements impose restrictions on the utilization of the loan for certain specified purposes only, such as for the purposes of meeting expenses for development and related activities and deposit of the receivables arising from development of the mortgaged property in the escrow account in terms of the escrow arrangement between the parties. We are required to obtain prior consent from some of our lenders under the relevant financing documents or Debenture Trustees under the relevant debenture trust deeds for, among other matters, amending our articles of association, change in name, principal place of business, change in shareholding, change in management control, our capital structure, changing the composition of our management or Board of Directors, undertaking merger or amalgamation, changing our constitution, issuance of further Equity Shares, making certain kinds of investments, making certain payments (including payment of dividends, redemption of shares, prepayment of indebtedness, payment of interest on unsecured loans and investments), undertaking any scheme of expansion or diversification, effecting any change in the nature or scope of our projects or any change in the financing plan, creation of security interest in secured properties and raising further indebtedness. We are also subject to certain other covenants, including requirements to maintain certain financial ratios. We cannot assure you that we will comply with all our covenants in the future, or that we can obtain necessary waivers for all non-compliances or remedy defaults in time or at all.

Moreover, under certain of our existing financing arrangements, the lenders have the right to withdraw their facilities in the event of any change in circumstances. If the lenders exercise their right to recall a loan, it could have an adverse effect on our reputation, business and financial position. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations or our contractual obligations, or to fund other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

Further, certain of our financing arrangements impose restrictions on making prepayments of such facility or other outstanding facilities or undertaking capital expenditure. Further, any breach under our financing agreements could result in acceleration of our loan repayments or trigger a cross-default under our other financing agreements. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Indebtedness*” on page 106.

The Amalgamating Group has certain financing facilities wherein the terms of such facilities may include some or all of

the restrictive covenants described above. For more information on the Amalgamating Group's borrowings, please see notes 24 and 28 of the NAM Estates Special Purpose Consolidated Financial Statements at pages F-489 and F-494, respectively, notes 17 and 20 of Embassy One audited financial statements for Fiscal 2021 at pages F-745 and F-746, respectively, notes 13 and 17 of the Embassy East Audited Standalone Financial Statements beginning at page F-867.

15. *We or as the case may be, the Amalgamating Group's may be subject to third-party indemnification, liability claims, invocation of guarantees or repurchase obligations, which may adversely affect our respective business, cash flows, results of operations and reputation.*

Some of the agreements that we and Amalgamating Group have entered into with third parties place indemnity obligations on us or as the case may be, the Amalgamating Group that require us or as the case may be, the Amalgamating Group to compensate such third parties for loss or damage suffered by them on account of a default or breach by us or as the case may be, the Amalgamating Group. In the event that such third parties successfully invoke these indemnity clauses under their respective agreements, we or as the case may be, the Amalgamating Group may be liable to compensate them for loss or damage suffered in respect of such agreements, which may adversely affect our or as the case may be, the Amalgamating Group's financial condition. We or as the case may be, the Amalgamating Group may be subject to claims resulting from defects in our respective sold units forming part of the relevant residential projects, including claims brought before the relevant authorities under the Real Estate (Regulation and Development) Act, 2016 (the "RERA") and Consumer Protection Act, 2019, as the case may be. For details pertaining to consumer cases and cases under the RERA, see "Legal Proceedings – Consumer Cases" and "Legal Proceedings – RERA Cases" each on page 237. We or as the case may be, the Amalgamating Group may also be exposed to third-party liability claims for injury or damage sustained on our respective properties or asset/equity sold to other third parties. We may also have to re-purchase/buy back certain sold assets/equity due to occurrence of certain identified events under certain third party agreements. These liabilities, costs and re-purchase obligations could have an adverse effect on our or as the case may be, the Amalgamating Group's business, cash flows, results of operations and reputation.

16. *Unsold inventory in our or as the case may be, the Amalgamating Group's projects if not sold in a timely manner adversely affects our or as the case may be, the Amalgamating Group's business, results of operations and financial condition.*

As of December 31, 2021, we had unsold inventory in residential projects comprising of projects with OC or near completion amounting to 1.6 million square feet, ongoing projects amounting to 7.7 million square feet and planned projects amounting to 6.1 million square feet. As of the same date, we had unsold inventory in commercial projects comprising of projects with OC or near completion amounting to 0.5 million square feet, ongoing projects amounting to 0.1 million square feet and planned projects amounting to 1.4 million square feet. For further details, see "Our Business" on page 140. If we are unable to sell such inventory at acceptable prices and in a timely manner, our business, results of operations and financial condition could be adversely affected.

Further, as of December 31, 2021, the Amalgamating Group had unsold inventory in residential projects (including planned residential projects to be transferred to the Amalgamating Group pursuant to the Amalgamation), comprising of projects with OC or near completion amounting to 1.2 million square feet, ongoing projects amounting to 0.6 million square feet and planned projects amounting to 4.1 million square feet. As of the same date, the Amalgamating Group had unsold inventory in commercial projects comprising of three planned project amounting to 22.3 million square feet. For further details, see "Business of the Amalgamating Group" on page 156. Assuming the successful completion of the Proposed Merger, if the Amalgamating Group is unable to sell such inventory at acceptable prices and in a timely manner, the Amalgamating Group's business, results of operations and financial condition could be adversely affected.

17. *Some or all of our or as the case may be, the Amalgamating Group's ongoing and planned projects may not be completed by their expected completion dates or at all. Such delays may adversely affect our or as the case may be, the Amalgamating Group's business, results of operations and financial condition.*

As of December 31, 2021, our ongoing and planned projects accounted for an estimated Saleable Area of 12.6 million square feet and 7.4 million square feet, respectively. As of December 31, 2021, the Amalgamating Group has a residential property development portfolio³ comprising a gross Saleable Area of 18.8 million square feet of which 0.9 million square feet comprised completed projects, 7.6 million square feet comprised of projects with OC or are near completion, 2.1 million square feet comprised of ongoing projects and 8.2 million square feet comprised planned projects. Our or as the case may be, the Amalgamating Group's ongoing and planned projects may be subject to significant changes and modifications from our or as the case may be, the Amalgamating Group's currently estimated management plans and timelines as a result of factors outside our or as the case may be, the Amalgamating Group's control, including, among others:

³ Includes residential projects within mixed use developments.

- defects or challenges to our or as the case may be, the Amalgamating Group's land titles, including failure or delay in obtaining consent of current occupants;
- expiration of agreements to develop land or leases, and our or as the case may be, the Amalgamating Group's inability to renew them in time or at all;
- lack of availability of financing;
- failure or delay in securing necessary statutory or regulatory approvals and permits for us or as the case may be, the Amalgamating Group to develop some of our projects;
- natural disasters and weather conditions;
- outbreak of infectious diseases such as COVID-19;
- reliance on third-party contractors and the ability of third parties to complete their services on schedule and in budget; and
- the risk of decreased market demand subsequent to the launch of a project.

Such changes and modifications to our or as the case may be, the Amalgamating Group's timelines may have a significant impact on our or as the case may be, the Amalgamating Group's ongoing and planned projects, and consequently, we or as the case may be, the Amalgamating Group may not develop these projects as contemplated, including quick monetization of land parcels after their acquisition, or at all, which may have an adverse effect on our respective business, results of operations and financial condition. Further, if there are any revisions made to the existing plans, approvals, permits or licenses granted for our ongoing projects by relevant authorities, then we or as the case may be, the Amalgamating Group may, as a result of such revisions, be required to undertake unplanned rework, including demolition on such projects. Such an occurrence may result in time and cost overruns in our respective ongoing projects.

In addition, we or as the case may be, the Amalgamating Group may be required to pay compensation to our respective customers in the event of a delay. Such compensation, if paid, may affect the overall profitability of the project and therefore adversely affect our or as the case may be, the Amalgamating Group's business, results of operation and financial condition.

In addition, some of the sale agreements which we or as the case may be, the Amalgamating Group enter into with our respective residential customers contain penalty clauses wherein we or as the case may be, the Amalgamating Group are liable to pay interests payments to our or as the case may be, the Amalgamating Group's customers due to completion delays. Some of our or as the case may be, the Amalgamating Group's customers in our or as the case may be, the Amalgamating Group's completed and ongoing projects have experienced delays in the past. These delays, in many cases due to factors beyond our or as the case may be, the Amalgamating Group's control, are generally less than 18 months but have in a few exceptional cases been up to 48 months. Further, a buyer of a residential unit may also terminate his arrangements if we or as the case may be, the Amalgamating Group fail to deliver the unit as per the timelines mentioned under the sale agreement, and we or as the case may be, the Amalgamating Group may be liable to refund the amount along with interest. We or as the case may be, the Amalgamating Group might also be exposed to penalties under the RERA. The aggregate penalties we or as the case may be, the Amalgamating Group may be liable to pay in the event of delays may affect the overall profitability of the project and therefore adversely affect our respective business, results of operations and financial condition.

18. *Significant increases in prices of, or shortages of, or delay or disruption in supply of labor and key building materials could affect our or as the case may be, the Amalgamating Group estimated construction cost and timelines resulting in cost overruns or less profit.*

We and the Amalgamating Group procure building materials for our projects, such as steel, cement, ready mix concrete, flooring products, hardware, bitumen, sand and aggregates, doors and windows, bathroom fixtures and other interior fittings, from third-party suppliers. The prices and supply of basic building materials and other raw materials depend on factors outside our or as the case may be, the Amalgamating Group's control, including cost of raw materials, general economic conditions, competition, production costs and levels, transportation costs, indirect taxes and import duties. Our or as the case may be, the Amalgamating Group's ability to develop and construct projects profitably is dependent on our respective ability to obtain adequate and timely supply of building materials within the relevant estimated budget. As we or as the case may be, the Amalgamating Group source for building materials from third parties, our respective supply chain may be interrupted by circumstances beyond our respective control. Poor quality roads and other transportation-related infrastructure problems, inclement weather and road accidents may also disrupt the transportation

of supplies. Prices of certain building materials and, in particular, cement and steel prices, are susceptible to rapid increases. Further, we or as the case may be, the Amalgamating Group operate in a labor-intensive industry and if we or as the case may be, the Amalgamating Group or our contractors are unable to negotiate with the labor or their sub-contractors, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, it may be difficult to procure the required labor for ongoing or planned projects. Each of the Amalgamating Group and us have experienced such instances in a limited manner in the past. For example, the Amalgamating Group faced disruption in the supply of labor in 2020 including due to migration of labor as a result of the COVID-19 pandemic and shortage of natural sand in 2015 due to regulatory orders which restricted the mining of sand. These shortages impacted several projects being executed by the Amalgamating Group in the respective years.

During periods of shortages in the supply of building materials or labor, we or as the case may be, the Amalgamating Group may not be able to complete projects according to previously determined time frames, at previously estimated project costs, or at all, which may adversely affect our respective results of operations and reputation. In addition, during periods where the prices of building materials or labor significantly increase, we or as the case may be, the Amalgamating Group may not be able to pass these price increases on to our respective customers, which could reduce or eliminate the profits we or as the case may be, the Amalgamating Group intend to gain from our respective projects. These factors could adversely affect our or as the case may be, the Amalgamating Group's business, results of operations and cash flows.

19. *Certain information contained in this Placement Document including that in relation to our and the Amalgamating Group upcoming launches, ongoing projects, planned projects and the area expressed to be covered by our or as the case may be, the Amalgamating Group projects are based on management estimates and may be subject to change.*

Certain statements contained in this Placement Document with respect to upcoming launches, completed projects, ongoing projects and planned projects by each of the Amalgamating Group and us, such as the area of land or development rights owned by us or as the case may be, the Amalgamating Group, the location and type of development, the Saleable Area, the Leasable Area, the Developable Area, internal floor area and efficiency ratio, estimated construction commencement and completion dates, target launch dates, estimated construction costs, the relevant funding requirements, and our intended use of proceeds of this Issue, are based solely on assumptions, management estimates and our business plan, and have not been verified by any bank or financial institution.

The total area of property that is ultimately developed and the actual total Saleable Area may differ from the descriptions of the property presented herein and a particular project may not be completely booked, sold, leased or developed until a date subsequent to the expected completion date. In certain instances, there may be a discrepancy between the areas mentioned in the revenue records, the area mentioned in the title deeds or the actual physical area of some of our or as the case may be, the Amalgamating Group's land bank, thereby affecting the management estimates in terms of our respective land bank. Further, we or as the case may be, the Amalgamating Group are yet to obtain requisite approvals in relation to parts of the construction of certain of our respective projects as the development thereof is planned to be carried out in a phased manner. The target launch date of our or as the case may be, the Amalgamating Group's upcoming launches are subject to receipt of regulatory approvals and other considerations, such as availability of financing and real estate market conditions, among others, and may be postponed or delayed. We or as the case may be, the Amalgamating Group have calculated the Saleable Area and Developable Area based on certain assumptions including the current approvals obtained for other land parcels on which we or as the case may be, the Amalgamating Group have completed projects, ongoing projects or planned projects that are or may be contiguous with our or as the case may be, the Amalgamating Group's land bank. However, there can be no assurance that we or as the case may be, the Amalgamating Group will be able to acquire all or part of the contiguous land or obtain approvals in a form similar or better in terms to our existing approvals in respect of our respective completed projects, ongoing projects and planned projects for such land bank in time for its development or at all. Failure to obtain requisite approvals for any reason including changes in law or development policy of the relevant authorities, may adversely affect our or as the case may be, the Amalgamating Group's calculations of Saleable Area and Developable Area in relation to our or as the case may be, the Amalgamating Group's land bank. As a result, we or as the case may be, the Amalgamating Group may have to revise our funding estimates, development plans (including the type of proposed development) and the estimated construction commencement and completion dates of our respective projects depending on future contingencies and events, including:

- changes in laws and regulations;
- court orders restricting or impairing constructions;
- competition;
- receipt of statutory and regulatory approvals and permits in time, or at all;

- irregularities or claims with respect to title to land or agreements related to the acquisition of land;
- the ability of third parties to complete their services on schedule and within estimated budgets;
- delays, cost overruns or modifications to our ongoing and planned projects;
- natural disasters and force majeure events;
- outbreak of infectious diseases such as COVID-19;
- commencement of new projects and new initiatives; and
- changes in our or as the case may be, the Amalgamating Group's business plans due to prevailing economic and market conditions.

We or as the case may be, the Amalgamating Group have created mortgages over several properties forming part of our respective ongoing projects (extending to both underlying land and unsold units). If we or as the case may be, the Amalgamating Group are unable to satisfactorily clear these charges, the mortgages will be foreclosed against the security (which is the underlying land and unsold units) and we or as the case may be, the Amalgamating Group will lose title over the relevant properties and may not be able to recover the full value in respect of such properties.

In addition, historical profitability of our or as the case may be, the Amalgamating Group's projects may not be indicative of any future profitability of our respective ongoing and planned projects. The profitability of our or as the case may be, the Amalgamating Group's projects could fluctuate significantly over time based in part on the timing of the project cycle. In addition, we or as the case may be, the Amalgamating Group may not develop all of our respective land bank, and we or as the case may be, the Amalgamating Group may lease a portion of our respective land bank to other development companies. Accordingly, our or as the case may be, the Amalgamating Group's future revenue may not correspond to the remaining land bank.

In addition, any delay to the scheduled launch, construction commencement or completion dates, as the case may be, may cause a delay to our or as the case may be, the Amalgamating Group's ability to sell or market our respective projects, or as the case may be, ability to collect progress payments from our respective customers, which may in turn have an adverse impact on our respective cash flows and financial condition. Any delay to the completion dates may also expose us or as the case may be, the Amalgamating Group to claims or complaints by our respective customers, which would adversely affect our respective brand and reputation.

20. *While acquiring land parcels or other properties, we or as the case may be, the Amalgamating Group may not be aware of legal uncertainties and defects, which may have an adverse impact on our respective ability to develop and market projects on such lands.*

We or as the case may be, the Amalgamating Group may purchase land or property directly, or acquire a company that owns land or property, or enter into development agreements with the landowners which will subsequently be followed by sale, or enter into lease or such other arrangements with government authorities as permissible under applicable law. While making such purchases or acquisitions, we or as the case may be, the Amalgamating Group may be unable to identify various legal defects and irregularities to the title of the land or properties being purchased. Property records in India have not been fully computerized and are generally maintained and updated manually through physical records of all land-related documents. This process may take a significant amount of time and result in inaccuracies or errors. For example, there could be discrepancies in the land area in revenue records, the area in title deeds or the actual physical area of some of our or as the case may be, the Amalgamating Group's land. In certain cases, our or as the case may be, the Amalgamating Group's name may not have been updated in the land records (including revenue records, mutation extracts and 7/12 extracts) as owners or lessees or developers of the land.

In addition, we or as the case may be, the Amalgamating Group may not be aware of all the risks associated with acquisitions of land or property. It is often difficult for us to conduct a substantial independent due diligence review of non-public information about the target company or property. We or as the case may be, the Amalgamating Group may not have good and marketable title to some of our respective land as a result of non-execution, non-registration or inadequate stamping of conveyance deeds and other acquisition documents, or not having obtained requisite approvals from courts or concerned governmental authorities for acquisition of land or property, or may be subject to, or affected by, encumbrances of which we or as the case may be, the Amalgamating Group may not be aware. We or as the case may be, the Amalgamating Group may not therefore be able to assess or identify disputes, unregistered encumbrances or adverse possession rights over title to real property in which we or as the case may be, the Amalgamating Group have invested or may invest. Further, there may be premium (including lease premium) which may be pending to be paid by us or as the case may be, the Amalgamating Group to the governmental authorities with respect to acquisition of certain

land or property, and we or as the case may be, the Amalgamating Group may also be exposed to risk of litigation on account of acquisition of land or property without requisite approvals, which could affect our respective title to such land or property. Legal disputes in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If either we or as the case may be, the Amalgamating Group or the owner of the land which is the subject of our or as the case may be, the Amalgamating Group's development agreements are unable to resolve such disputes with these claimants, we or as the case may be, the Amalgamating Group may lose the relevant interest in the land. Further, failure to comply with the terms and conditions of the development agreements may expose us, or the case may be, the Amalgamating Group to the risk of litigation, termination or may result in loss of our respective interests in the land or property. Failure to obtain, or to prove that we or as the case may be, the Amalgamating Group hold, good title to a particular plot of land may materially prejudice the success of a development for which that plot is a critical part, may require the writing off expenditures in respect of that development and may adversely affect our or as the case may be, the Amalgamating Group's property valuations and prospects.

Following the completion of a purchase or acquisition, we or as the case may be, the Amalgamating Group may have to incur significant expenditure to maintain the assets we or as the case may be, the Amalgamating Group have acquired and to comply with regulatory requirements. The costs and liabilities actually incurred in connection with such acquisitions may exceed than those anticipated.

21. *Our other financial assets include certain receivables relating to the sale of an investment made in financial year 2020, which are yet to be paid to us.*

In financial year 2020, we sold our entire stake in our overseas property located in Hanover Square, London, United Kingdom to an entity owned by the Promoter, for an aggregate consideration of £ 200 million (equivalent to approximately ₹18.4 billion). We have already received a sum of £ 138.2 million (equivalent to ₹ 13.1 billion) and a sum of £ 61.9 million (equivalent to approximately ₹ 6.2 billion) is outstanding as at December 31, 2021.

There is no assurance that this amount will be remitted to us in a timely manner or at all. If this amount or a portion of it remains unpaid, we may need to recognize a write-off of such unpaid portion on our consolidated balance sheet and consolidated statement of profit and loss.

22. *Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our or as the case may be, the Amalgamating Group business, prospects and results of operations.*

In India, our or as the case may be, the Amalgamating Group business is governed by various laws and regulations including the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, the RERA and the rules made thereunder, including state specific rules, the Maharashtra Tenancy and Agricultural Lands Act, 1948, as amended, the Maharashtra Land Revenue Code, 1966, as amended, and rules made thereunder, the Indian Stamp Act, 1899, as amended, the Maharashtra Regional and Town Planning Act, 1966, as amended, the Maharashtra Stamp Act, 1958, as amended, the Indian Registration Act, 1908, as amended, the Maharashtra Ownership of Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963, as amended, the Environment (Protection) Act, 1986 and the Consumer Protection Act, 1986, as amended. Our or as the case may be, the Amalgamating Group business could be adversely affected by any change in laws, municipal plans or interpretation of existing laws, or promulgation of new laws, rules and regulations.

For example:

- The Government of India has implemented a comprehensive national goods and services tax under the Goods and Services Tax Act, 2017, as amended, ("GST") regime with effect from July 1, 2017 that combines multiple taxes and levies by the Central and State Governments into a unified tax structure. Given that the various rules and regulations regarding the new regime continue to evolve, we or as the case may be, the Amalgamating Group cannot assure you as to any further changes and their impact on our respective business and operations. Further, the General Anti-Avoidance Rules ("GAAR") became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in the denial of tax benefits to an arrangement, among other consequences. In the absence of any such precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to us or as the case may be, the Amalgamating Group, it may have an adverse tax impact on us or as the case may be, the Amalgamating Group.
- The Finance Act, 2020 (the "Finance Act") which came into effect on July 1, 2020, has made various amendments. The Finance Act stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to

be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. Further, the Government of India has notified the Finance Act, 2021 which has introduced various amendments to taxation laws in India.

- In order to boost the demand in the real-estate sector and to enable the real-estate developers to liquidate their unsold inventory at a lower rate to home buyers, as part of the Finance Act, 2021, the safe harbor threshold under Section 43CA of the IT Act has been increased from the existing 10% to 20%, subject to compliance with certain conditions. If the Government reduces or withdraws tax benefits and other incentives we or as the case may be, the Amalgamating Group presently enjoy, our or as the case may be, the Amalgamating Group's business and results of operations may be adversely affected. There are also various tax benefits under the IT Act which are available to us and the purchasers of residential premises who incur loans from banks or other financial institutions. For further details, see "Taxation" on page 227. In addition, some of these benefits and incentives which we or as the case may be, the Amalgamating Group currently enjoy could also be limited to specific periods, and there can be no assurance that we or as the case may be, the Amalgamating Group can continue to avail of these benefits and incentives beyond the relevant expiration periods.
- Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our or as the case may be, the Amalgamating Group's business, operations and group structure could result in us or as the case may be, the Amalgamating Group being deemed to be in contravention of such laws and may require the application for additional approvals. We or as the case may be, the Amalgamating Group may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our respective business, prospects and results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us or as the case may be, the Amalgamating Group to resolve and may affect our respective business, prospects and results of operations.
- changes in Special Economic Zone (SEZ) Regulations from time to time may impact both business and profitability if there are any withdrawal of tax benefits both direct and indirect taxes

We or as the case may be, the Amalgamating Group have not determined the impact of these recent and proposed laws and regulations on our respective business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the relevant jurisdictions, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly to resolve and may impact the viability of our or as the case may be, the Amalgamating Group's current business or restrict our or as the case may be, the Amalgamating Group's ability to grow our respective business in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. We or as the case may be, the Amalgamating Group may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect respective business, results of operations, cash flows and prospects. Further, if we or as the case may be, the Amalgamating Group are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our respective business and financial performance may be adversely affected.

23. *Our or as the case may be, the Amalgamating Group residential business is subject to extensive regulation by the Government of India, state governments and local authorities, in particular RERA and any non-compliance of the provisions of RERA or the applicable state specific legislations may have an adverse effect on our respective business, results of operations and financial condition.*

The real estate industry in India is heavily regulated by the Government of India, state governments and local authorities, in particular the RERA. The RERA has been introduced to regulate the real estate industry and to ensure, among others,

imposition of certain responsibilities on real estate developers and accountability toward customers and protection of their interest. The RERA has imposed certain obligations on real estate developers, including us and the Amalgamating Group, such as mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate account for 70 per cent. of the amounts received from the buyers of such real estate project and restrictions on withdrawal of amounts from such accounts and taking customer approval for major changes in sanction plan. In addition, we and the Amalgamating Group will have to comply with state-specific rules and regulations which have been enacted by the relevant state government where our ongoing projects may be located. Further, we or as the case may be, the Amalgamating Group may face challenges in interpreting and complying with the provisions of the RERA due to limited jurisprudence on them. In the event our or as the case may be, the Amalgamating Group's interpretation of provisions of the RERA differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we or as the case may be, the Amalgamating Group may face regulatory actions or may be required to undertake remedial steps.

There are also various land ceiling legislations that regulate the amount of land that can be held under single ownership. Prior to the commencement of construction, we or as the case may be, the Amalgamating Group are required to obtain clearance from pollution control boards, approvals from local airports and air force bases and state telecommunications authorities (in connection to the height of the construction), fire services as well state police authorities. After obtaining all such clearances and approvals, we or as the case may be, the Amalgamating Group are required to obtain planning permission from the relevant municipal authorities. We or as the case may be, the Amalgamating Group may have to revise our respective strategies and plans to be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the real estate sector and which may result in significant additional monetary costs. Although we or as the case may be, the Amalgamating Group believe that our respective projects are in compliance with applicable laws and regulations, there could be instances of non-compliance, which may subject us or as the case may be, the Amalgamating Group to regulatory action in the future, including penalties, seizure of land and other legal proceedings. The planning permission granted by local municipal authorities is usually subject to compliance with the terms and conditions of all licenses and permits granted in connection with the project. Any non-compliance of the provisions of RERA, or any other state-specific legislations may result in penalties (including fines or imprisonment) and revocation of registrations of our ongoing projects, or may result in proceedings initiated against us or as the case may be, the Amalgamating Group, which may have an adverse effect on our respective business, results of operations, cash flows and financial condition. Further, due to the possibility of unanticipated regulatory developments, the amount and timing of future expenditure to comply with these regulatory requirements may vary substantially from those currently in effect.

24. *Our or as the case may be, the Amalgamating Group's business and results of operations could be adversely affected by the incidence and rate of property taxes and stamp duties.*

As a property owning and development company, we or as the case may be, the Amalgamating Group are subject to the property tax regime in the relevant states. We or as the case may be, the Amalgamating Group are also subject to stamp duty for the agreements entered into in respect of the properties being purchased or sold. These taxes could increase in the future, and new types of property taxes, stamp duties may be introduced which would increase our or as the case may be, the Amalgamating Group's overall costs. If these property taxes and stamp duties increase, the cost of buying and selling properties may rise. Additionally, if stamp duties or higher stamp duties were to be levied on instruments evidencing transactions which we or as the case may be, the Amalgamating Group believe are currently subject to nil or lesser duties, our respective acquisition costs and sale values may be affected, resulting in a reduction of our profitability. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on our or as the case may be, the Amalgamating Group's business and results of operations. In addition, any increase in property tax or stamp duty could also adversely affect demand for our or as the case may be, the Amalgamating Group's respective projects.

25. *The fund requirements mentioned in the Net Proceeds of the Issue have not been appraised by any bank or financial institution and we have not entered into definitive agreements in relation to the objects for which the Net Proceeds shall be utilised. If there are delays or cost overruns in utilisation of Net Proceeds, our business, financial condition, cash flows and results of operations may be materially and adversely affected.*

We intend to utilize the Net Proceeds of the Issue towards general corporate purposes, as set forth in "Use of Proceeds" on page 74. The fund requirement mentioned as a part of the "Use of Proceeds" is based on internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may cause an additional burden on our finance plans, as a result of which, our business, financial condition, results of operation and cash flows could be materially and adversely impacted.

26. *Compliance with, and changes in, environmental, health and safety and labor laws and regulations could adversely affect the development of our or as the case may be, the Amalgamating Group projects and our respective financial condition.*

We or as the case may be, the Amalgamating Group are subject to environmental, health and safety regulations in the ordinary course of our respective businesses. If we or as the case may be, the Amalgamating Group face any environmental concerns during the development of a project or if the government introduces more stringent regulations, our respective projects may face delays or incur additional expenses. We or as the case may be, the Amalgamating Group are subject to various national and local laws and regulations relating to the protection of the environment that may require a current or previous owner of a property to investigate and clean-up hazardous or toxic substances at a property. Under these laws, owners and operators of property may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, any environmental damage or pollution and the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. Environmental laws including regulations pertaining to coastal regulation zone activities may also impose compliance obligations on owners and operators of real property with respect to the management of hazardous materials and other regulated substances. Failure to comply with these laws can result in penalties or other sanctions.

Environmental reports that we or as the case may be, the Amalgamating Group may request a third party to prepare with respect to any of our respective properties may not reveal (i) all environmental liabilities, (ii) that any prior owner or operator of our properties did not create or comply any material environmental condition not known to us or (iii) that a material environmental condition does not otherwise exist as to any one or more of our properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. We or as the case may be, the Amalgamating Group may be subject to liabilities or penalties relating to environmental matters, which could adversely affect the development of our projects and our financial condition.

27. *The relevant reports of the auditors of NAM Estates, Embassy East and Summit, each of which are members of the Amalgamating Group, contain certain qualifications or matters of emphasis.*

Each of the auditor's reports relating to:

- the audited financial statements for the financial years 2019, 2020 and 2021 of NAM Estates; and
- the audited financial statements for the financial year 2021 of Embassy East (erstwhile Concord India Private Limited), a member of the Amalgamating Group,

contains a qualification to indicate non-compliance with the requirements of section 185 of the Companies Act in respect of interest free loan(s) and security provided to then parent company of these entities, EPDPL. Under section 185 of the Companies Act, no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested without complying with the relevant requirements of the Companies Act. The interest free loan(s) or as the case may be, the security provided to EPDPL, was not provided in compliance with the relevant requirements of the Companies Act. The impact of these non-compliances has not been quantified by the Amalgamating Group. During financial year 2021, NAM Estates filed an application seeking composition of the offence under section 331 of the Companies Act for violation of section 185 of the Companies Act. The application was successful, and the offence has been compounded to a fine, which the Amalgamating Group has fully paid.

The Summit Limited Reviewed Unaudited Standalone Financial Results contained an emphasis of matter pertaining to an event of default notice served by certain compulsory convertible debentures ("CCDs") holders (the "CCD Holders") to Summit, a member of the Amalgamating Group, during financial year 2021. Summit, EPDPL and CCD Holders have entered into a securities purchase agreement ("SPA") whereby EPDPL will purchase the CCDs for an agreed consideration (the "Consideration") and the event of default notice has since been suspended. According to the SPA, the purchase of the CCD was initially scheduled to be completed by March 31, 2021 (the "Original Closing Date"), but the Original Closing Date was subsequently extended to June 30, 2022. For more information, please see note 4 to the Summit Limited Reviewed Unaudited Standalone Financial Results. Further, the Summit Limited Reviewed Unaudited Standalone Financial Results have been prepared on a going concern basis notwithstanding the fact that Summit had a negative net worth of ₹ 10,613.13 million as at December 31, 2021 and had incurred a net loss of ₹ 116.0 million during the nine months ended December 31, 2021. Summit's current liabilities exceeded its current assets by ₹ 13,121.3 million as at December 31, 2021. The Summit Limited Reviewed Unaudited Standalone Financial Results had been prepared on a going concern basis because of the financial support committed to Summit by its holding company, NAM Estates. For more information, please see note 2.05 to the Summit Limited Reviewed Unaudited Standalone Financial Results.

Investors should consider the abovementioned matters when evaluating the financial position, cash flow, and results of

operation of the Amalgamating Group, which may in turn affect the financial position, cash flow and results of operation of the Amalgamated Company.

28. *Any failure to protect or enforce our or as the case may be, the Amalgamating Group's rights to own or use trademarks and brand names and identities could have an adverse effect on our respective business and competitive position.*

As of December 31, 2021, we have 38 registered trademarks, for the various names and logos of our projects, under various classes registered with the registrar of trademarks and has pending trademark applications relating to names of our projects. In addition, the Amalgamating Group may make trademark applications relating to the names of its projects from time to time. Any failure to renew registration of our or as the case may be, the Amalgamating Group's registered trademarks may affect respective right to use them in future. If we or as the case may be, the Amalgamating Group are unable to register our respective trademarks for various reasons including the inability to remove objections to the relevant trademark applications, or if any of our or as the case may be, the Amalgamating Group's unregistered trademarks are registered in favor of or used by a third party, we or as the case may be, the Amalgamating Group may not be able to claim registered ownership of such trademarks and consequently, we or as the case may be, the Amalgamating Group may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our respective business prospects, reputation and goodwill. Further, our or as the case may be, the Amalgamating Group's efforts to protect our respective intellectual property may not be adequate and any third party claim on any of our or as the case may be, the Amalgamating Group's unprotected brands may lead to erosion of our respective business value and reputation, which could adversely affect our respective operations. Third parties may also infringe or copy our or as the case may be, the Amalgamating Group's registered trademarks. We or as the case may be, the Amalgamating Group's may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our respective trademarks.

Further, if we or as the case may be, the Amalgamating Group do not maintain our respective brand names and identity, which we or as the case may be, the Amalgamating Group believe is a principal factor that differentiates us or as the case may be, the Amalgamating Group from our respective competitors, there can be no assurance that we will be able to maintain our respective competitive edge. Failure to compete effectively may result in a loss of customers, which would negatively affect our or as the case may be, the Amalgamating Group's financial performance and profitability. Moreover, our or as the case may be, the Amalgamating Group's ability to protect, enforce or utilize our respective brands is subject to risks, including general litigation risks.

Finally, while we or as the case may be, the Amalgamating Group take care to ensure compliance with the intellectual property rights of others, there can be no assurance that we or as the case may be, the Amalgamating Group have not or will not infringe any existing third-party intellectual property rights, which may force us or as the case may be, the Amalgamating Group to alter our respective offerings. We or as the case may be, the Amalgamating Group may also be susceptible to claims from third parties asserting infringement and other related claims.

The Amalgamating Group has obtained a right to use the "Embassy" trademark and logo from certain members of the Embassy Group under a trademark usage agreement. This trademark and logo is an important asset of the Amalgamating Group's business. The trademark usage agreement may be terminated under the terms of the trade usage agreement, including breach by the Amalgamating Group of certain terms therein. There can be no assurance that the Amalgamating Group will continue to have the uninterrupted use and enjoyment of the "Embassy" trademark or logo. Loss of use of the "Embassy" trademark or logo may adversely affect the Amalgamating Group's reputation, and consequently, its results of operations.

29. *Some of our and the Amalgamating Group's projects are in the preliminary stages of planning and require us or, as the case may be, the Amalgamating Group to obtain approvals or permits, and we or as the case may be, the Amalgamating Group may be are required to fulfil certain conditions precedent in respect of some of them. We and the Amalgamating Group also do not currently have all requisite approvals to develop our or as the case may be, the Amalgamating Group's land bank. Any failure to obtain the necessary approvals in time or at all may result in material delays in our or as the case may be, the Amalgamating Group's ongoing and planned projects, or prejudice our or as the case may be, the Amalgamating Group's ability to develop our or as the case may be, the Amalgamating Group's land bank, which may prejudice our growth strategy and could have an adverse impact on our or as the case may be, the Amalgamating Group's results of operation and prospects.*

As of December 31, 2021, we had five ongoing and five planned projects. As of the same date, the Amalgamating Group's assets comprise of 14 residential, commercial and mixed use development projects. Our or as the case may be, the Amalgamating Group's building plans in relation to some of the planned projects are yet to be finalized and approved. Further, we or as the case may be, the Amalgamating Group may need some additional approvals to complete our ongoing projects. To successfully execute each of these projects, we or the Amalgamating Group, as the case may be, may be required to obtain statutory and regulatory approvals, and permits and applications need to be made at appropriate stages of the projects with various government authorities. For example, we or the Amalgamating Group, as the case

may be, may be required to obtain the approval of building plans and layout plans, no-objection certificates for construction of high-rise projects, environmental consents and fire safety clearances. In addition, we or the Amalgamating Group, as the case may be, may be required to obtain a certificate of change of land use in respect of lands designated for purposes other than real estate development. Further, we, or the Amalgamating Group, as the case may be, may be required to renew certain of our existing approvals. There can be no assurance that the relevant authorities will issue any such approvals or renewals in the anticipated time frames or at all. Consequently, there can be no assurance that we, or as the case may be, the Amalgamating Group will be able to monetize land which we acquire in a timely manner, or at all. Any delay or failure to obtain the required approvals or renewals in accordance with our, or as the case may be, the Amalgamating Group's plans may adversely affect our, or as the case may be, the Amalgamating Group's ability to implement our, or as the case may be, the Amalgamating Group's ongoing and planned projects, or to exploit the development potential of such land parcels to the fullest and adversely affect our, or as the case may be, the Amalgamating Group's business and prospects.

Further, there is a large part of our land bank for which we or as the case may be, the Amalgamating Group do not yet have the requisite approvals to commence development. This part is not included in our or as the case may be, the Amalgamating Group's ongoing or planned projects, although we or as the case may be, the Amalgamating Group envisage developing such land bank in the longer term. When we or as the case may be, the Amalgamating Group set out to actually develop such land bank, we or as the case may be, the Amalgamating Group will need to seek approvals and permissions from granting authorities at the relevant time, which may not be obtained in time or at all. Any failure to obtain requisite approvals and permissions in time or at all, may result in our failure to develop our or as the case may be, the Amalgamating Group's land bank in accordance with our respective future long-term plans and exploit the estimated development potential on such land parcels, which may prejudice our respective growth strategy and could have an adverse effect on our business and prospects.

In addition, certain land parcels partly fall under eco-sensitive zones, green zones and forest zones, for which we or as the case may be, the Amalgamating Group are required to obtain special permission to develop the said property, apart from the non-agriculture land order. There can be no assurance that such permissions will be obtained in a timely manner or at all.

In certain cases, land required for projects are allotted by state owned bodies, which requires completion of various applicable processes and procedures. For instance, Summit, one of the subsidiaries of NAM Estates is awaiting allotment of land parcels from KAIDB, the state-owned industrial development body, including a land parcel, for which full compensation aggregating to ₹ 1,946.28 million has been paid by Summit. Any allotment delays, changes in terms and conditions of allotment (including terms relating to completion, tenure, divestment or sale, change in shareholding, leasing, sub-leasing, development potential, mortgage and financing), or non-allotment of land by KIADB, or any non-compliance with the conditions of allotment by the allottee, can delay the development process of the planned project or materially impact the business, results of operations, financial condition, and cash flows of NAM Estates and/or its subsidiaries.

30. *Increase in competition in the Indian real estate sector may adversely affect our or as the case may be, the Amalgamating Group's profitability.*

Our or as the case may be, the Amalgamating Group's business faces competition from both national and local property developers with respect to factors such as location, facilities and supporting infrastructure, services and pricing. Intensified competition between property developers may result in increased land prices, oversupply of properties, lower real estate prices, and lower sales at our respective properties, all of which may adversely affect our respective business. This may in turn lead to increased competition for location, services and customers, resulting in lower real estate prices and lower sales of our or as the case may be, the Amalgamating Group's properties. Moreover, there can be no assurance that we or as the case may be, the Amalgamating Group will be able to compete successfully in the future against our respective competitors or that increased competition will not have an adverse effect on our respective profitability. For details in relation to our competition, see "*Our Business – Competition*" on page 154.

31. *It is difficult to compare our or as the case may be, the Amalgamating Group's performance between periods, as our revenues and expenses fluctuate significantly from period to period.*

We or as the case may be, the Amalgamating Group derive income from the sale of residential units and the sale or lease of office and retail spaces we have developed. We or as the case may be, the Amalgamating Group recognize revenue as per Ind AS 115 "Revenue from Contracts with Customers", which is applicable since April 1, 2018. This standard specifies the accounting for an individual contract and establishes a five-step model to account for revenue arising from contracts with customers, which includes, the following judgments: satisfaction of performance obligations; determination of transaction prices; transfer of control in contracts with customers; and estimation process based on allocation of transaction price to performance obligation in contracts with customers. In accordance with Ind AS 115, revenue is recognized upon determination of the satisfaction of performance obligations at a point in time and upon transfer of control of promised products to customer in an amount that reflects the consideration which the company

expects to receive in exchange for those products. In applying the input method, we or as the case may be, the Amalgamating Group estimate the cost to complete the projects in order to determine the amount of revenue to be recognized. These estimates include the cost of providing infrastructure, approval cost, construction cost, cost of land and development right and the cost of meeting other contractual obligations to the customers. The revenues and profit recognized are potentially subject to adjustments in subsequent periods based on refinements in estimated costs of project completion that could affect our future revenues and profit. In addition, our or as the case may be, the Amalgamating Group's revenues and costs may fluctuate significantly from period to period due to a combination of other factors beyond our respective control, including completion of the project or receipt of approvals on completion from relevant authorities in a particular period, volatility in expenses such as costs to acquire land or development rights and construction costs. For instance, if we or as the case may be, the Amalgamating Group do not receive the occupation certificate for a particular project during a quarter, we or as the case may be, the Amalgamating Group will not be able to recognize revenues and corresponding expenses (which could also be significant) for such project during the quarter and would instead recognize revenue during the quarter in which we or as the case may be, the Amalgamating Group receive the occupation certificate.

In addition, our or as the case may be, the Amalgamating Group's accounting policies for revenue recognition may differ from the Amalgamating Group, and the Pro Forma Financial Information does not reflect the adjustment on account of aligning the accounting policies followed between us and the Amalgamating Group (including revenue recognition policies). For more information, please see "*Risk Factor – Internal Risk Factor - The pro forma financial information included in this Placement Document may not accurately reflect the historical of future financial condition, results of operations and business of the Amalgamating Group.*"

Therefore, we or as the case may be, the Amalgamating Group believe that period-to-period comparisons of our or as the case may be, the Amalgamating Group's results of operations may not be indicative of our future performance.

32. *We or as the case may be, the Amalgamating Group may suffer uninsured losses or experience losses exceeding our respective insurance limits. Consequently, we or as the case may be, the Amalgamating Group may have to make payments to cover our respective uninsured losses, which could have an adverse effect on our respective financial condition.*

We or as the case may be, the Amalgamating Group typically insure all our projects to the extent of their respective full costs of construction. Our or as the case may be, the Amalgamating Group's real estate projects could suffer physical damage from fire or other causes, resulting in losses, which may not be fully compensated by insurance. In addition, there are certain types of losses, such as those due to earthquakes, floods, other natural disasters, terrorism or acts of war, which may be uninsurable or are not insurable at a reasonable premium. We or as the case may be, the Amalgamating Group may also be subject to claims resulting from defects. In addition, we or as the case may be, the Amalgamating Group may be subject to claims arising from accidents at our respective construction sites. The proceeds of any insurance claim with respect to insurance that either we or as the case may be, the Amalgamating Group or our respective contractors have taken may be insufficient to cover the relevant expenses, including higher rebuilding costs as a result of inflation, changes in building regulations, environmental issues and other factors. Should an uninsured loss or a loss in excess of insured limits occur, we or as the case may be, the Amalgamating Group may lose the capital invested in and the anticipated revenue from the affected property. We or as the case may be, the Amalgamating Group could also remain liable for any debt or other financial obligation related to that property. There can be no assurance that losses in excess of insurance proceeds will not occur in the future.

In addition, any payments we or as the case may be, the Amalgamating Group may make to cover any uninsured loss may have an adverse effect on our respective business, financial condition and results of operations. If we or as the case may be, the Amalgamating Group suffer any losses, damages and liabilities in the course of our respective operations and real estate development, we or as the case may be, the Amalgamating Group may not have sufficient insurance or funds to cover any such losses. In addition, any payment we or as the case may be, the Amalgamating Group may make to cover any uninsured losses, damages or liabilities could have an adverse effect on our respective business, financial condition and results of operations. Further, we or as the case may be, the Amalgamating Group may not carry insurance coverage for all our respective projects. We or as the case may be, the Amalgamating Group may have to bear additional costs associated with any damage in respect of these uninsured projects or uninsured events.

33. *Our or as the case may be, the Amalgamating Group success depends in large part upon our respective qualified personnel, including our respective senior management, directors and key personnel and our ability to attract and retain them when necessary.*

Our or as the case may be, the Amalgamating Group operations are dependent on our respective ability to attract and retain qualified personnel. While we or as the case may be, the Amalgamating Group believe that we or as the case may be, the Amalgamating Group currently have adequate qualified personnel, we or as the case may be, the Amalgamating Group may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. The loss of the services of such qualified personnel may adversely affect our or as the case

may be, the Amalgamating Group's business, results of operations and financial condition. We or as the case may be, the Amalgamating Group may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We or as the case may be, the Amalgamating Group may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the qualified employees that our respective business requires.

Further, our or as the case may be, the Amalgamating Group's senior management team is integral to the success of our respective business. However, there can be no assurance that we or as the case may be, the Amalgamating Group will be able to retain any or all of our respective management team or successfully find and recruit qualified personnel to replace any members of our respective senior management team who may leave in the future. Any loss of our or as the case may be, the Amalgamating Group's senior management or key personnel or failure to recruit further senior managers or other key personnel could impede future growth by impairing our respective day-to-day operations and hindering our respective development of ongoing and planned projects and our respective ability to develop, maintain and expand customer relationships. Additionally, any leadership transition that results from the departure of any members of our or as the case may be, the Amalgamating Group's senior management team and the integration of new personnel may be difficult to manage and may cause operational and administrative inefficiencies, decreased productivity amongst our employees and loss of personnel with deep institutional knowledge, which could result in significant disruptions to our operations. We or as the case may be, the Amalgamating Group will be required to successfully integrate new personnel with the relevant existing teams in order to achieve the relevant operating objectives and changes in our or as the case may be, the Amalgamating Group's senior management team may affect our respective results of operations as new personnel become familiar with our respective business.

34. *Our or as the case may be, the Amalgamating Group's business is capital intensive and is significantly dependent on the availability of real estate financing in India. Difficult conditions in the global capital markets and the global economy generally may adversely affect our or as the case may be, the Amalgamating Group's business and results of operations and may cause us or as the case may be, the Amalgamating Group to experience limited availability of funds. There can be no assurance that we or as the case may be, the Amalgamating Group will be able to raise sufficient financing on acceptable terms, or at all.*

Our or as the case may be, the Amalgamating Group's business is capital intensive, requiring substantial capital to develop and market our respective ongoing and planned projects. The actual amount and timing of our or as the case may be, the Amalgamating Group's future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our respective projects, changes in business plans due to prevailing economic conditions, unanticipated expenses, regulatory changes, and engineering design changes. To the extent our or as the case may be, the Amalgamating Group's planned expenditure requirements exceed our respective available resources, we or as the case may be, the Amalgamating Group will be required to seek additional debt or equity financing. Additional debt financing, if available, could increase our or as the case may be, the Amalgamating Group's interest cost and require us to comply with additional restrictive covenants in our respective financing agreements. In addition, the Indian regulations on foreign investment in housing, built-up infrastructure and construction and development projects impose significant restrictions on us or as the case may be, the Amalgamating Group, including the types of financing activities we or as the case may be, the Amalgamating Group's may engage in.

As of December 31, 2021, our total sales aggregated to ₹ 118,873.6 million. In relation to these sales, Indiabulls Housing Finance Limited provided funding aggregating to ₹ 16,655.1 million (14.0% of our total sales) to purchasers of these units. There can be no assurance Indiabulls Housing Finance Limited will continue to provide funding to purchasers of our units on acceptable terms, or at all. Our ability to obtain additional financing on favorable commercial terms, if at all, will depend on a number of factors, including:

- our results of operations and cash flows;
- the amount and terms of our existing indebtedness;
- general market conditions in the markets where we operate; and
- general condition of the debt and equity markets in India.

In addition, changes in the global and Indian credit and financial markets may affect the availability of credit to our respective customers and decrease in demand for our respective development. Our or as the case may be, the Amalgamating Group's inability to obtain funding on reasonable terms, or at all, could affect our respective ability to develop our respective ongoing and planned projects and would have an adverse effect on our respective business and results of operations.

35. *Any downgrade in our credit rating could adversely affect our business.*

We have been awarded with a financial rating of IVR AA- (long term) and IVRA1+ (short term) by Infomercials Ratings, BWR AA – (long term) by Brickwork Ratings and CARE A+ (long term) by CARE ratings. Our credit ratings reflect, among other things, the rating agencies' opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our inability to obtain such credit ratings in a timely manner or any non-availability of credit ratings, or poor ratings, or any downgrade in our ratings may increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business and results of operations. In addition, non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

36. *We or as the case may be, the Amalgamating Group depend significantly on our residential development business, the success of which is dependent on our ability to anticipate and respond to consumer requirements.*

As of December 31, 2021, 92.9% of our Developable Area in ongoing and planned projects comprise residential projects. As of December 31, 2021, 17.6% of the Amalgamating Group's Developable Area in ongoing and planned projects comprise residential projects. We categorize our residential developments into mid-income and premium and luxury housing. Our sales for financial year 2021 and the nine months ended December 31, 2021 was ₹ 14,883.4 million and ₹ 7,531.3 million, respectively. Our gross collections for the financial year 2021 and the nine months ended December 31, 2021 were ₹ 19,336.0 million and ₹ 7,815.0 million, respectively. The Amalgamating Group's sales for financial year 2021 and the nine months ended December 31, 2021 was ₹ 4,417 million and ₹ 3,033 million, respectively. The Amalgamating Group's gross collections for the financial year 2021 and the nine months ended December 31, 2021 were ₹ 2,487.2 million and ₹ 2,578.0 million, respectively. We or as the case may be, the Amalgamating Group rely on our ability to understand the preferences of our customers in each of these segments and to accordingly develop projects that suit their tastes and preferences. The growing disposable income of India's middle and upper classes has led to a change in lifestyle resulting in substantial changes in the nature of their demands. As customers continue to seek better housing amenities as part of their residential needs, we or as the case may be, the Amalgamating Group plan to continue our focus on the development of quality residential accommodation with various amenities. Our or as the case may be, the Amalgamating Group's inability to provide customers with quality construction or failure to continually anticipate and respond to customer needs may affect our respective business and prospects and could lead to the loss of significant business to our respective competitors.

37. *A significant portion of our or as the case may be, the Amalgamating Group's working capital needs are funded by presales. Any cancellation of sales or change in the laws or regulations governing the use of presales may affect our working capital and financial position.*

We or as the case may be, the Amalgamating Group typically focus on selling sizeable percentage of units within one year from the launch of a project as well as prior to the receipt of the occupation certificate. Conducting presales, meaning sales done during launch and construction of a project, have allowed us or as the case may be, the Amalgamating Group to benefit from installment payments from our customers, which can be used as working capital and thereby allowing us or as the case may be, the Amalgamating Group to maintain healthy levels of working capital and to reduce our respective debt servicing costs. However, there can be no assurance that we or as the case may be, the Amalgamating Group will be able to achieve sizeable percentage of presales in future. Any decrease in our or as the case may be, the Amalgamating Group presales may cause our respective working capital needs to increase. While we or as the case may be, the Amalgamating Group aim to sell over 80% of the Saleable Area of a project during the construction phase, there can be no assurance that we or as the case may be, the Amalgamating Group will be able to meet such target with respect to all our respective projects. In addition, our or as the case may be, the Amalgamating Group's ability to use such presales to meet our respective working capital needs may be affected by laws or regulations, or changes in the Government's interpretation or implementation thereof. We or as the case may be, the Amalgamating Group may be unable to timely find alternative sources of working capital, which could have adverse effect on our respective financial positions.

38. *We or as the case may be, the Amalgamating Group enter into certain related party transactions in the ordinary course of our respective business and we or as the case may be, the Amalgamating Group cannot assure you that such transactions will not have an adverse effect on our respective results of operation and financial condition.*

We or as the case may be, the Amalgamating Group have entered into transactions with related parties in the past and are likely to do so in the future. There can be no assurance that we or as the case may be, the Amalgamating Group could not achieve more favorable terms if such transactions were not entered into with related parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our or as the case may be, the Amalgamating Group's results of operations and financial condition.

Our or as the case may be, the Amalgamating Group's ability to pay our respective obligations may depend on our respective Subsidiaries and affiliates repaying the loans and advances which have been made to them on demand. Our or as the case may be, the Amalgamating Group's Subsidiaries and affiliates' ability to make repayments will depend on their operating results and will be subject to applicable laws and contractual restrictions. Further, our or as the case may be, the Amalgamating Group's ability to pay our respective obligations may be adversely affected by the

performance of these subsidiaries and affiliates. Our Company has given inter-corporate loans and corporate guarantees of ₹ 28,793.3 million and ₹ 6,849.1 million, respectively, to related parties as of March 31, 2021, where all such loans are unsecured. Some of our Subsidiaries to whom we have given such loans or for whose benefit we have provided guarantees may incur losses which may in turn affect their ability to repay loans. For more information on the related party transactions of the Amalgamating Group, see note 42 to the NAM Estates Audited Standalone Financial Statements beginning on page F-506. There is no assurance that any failure or delay by our Company's subsidiaries or affiliates to repay such loans and advances to it will not result in an adverse effect on our or as the case may be, the Amalgamating Group's results of operation and financial condition.

39. *Our Directors and Senior Management Personnel have interests in us other than the reimbursement of expenses incurred and normal remuneration and benefits.*

Our Directors and Senior Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them, directly or indirectly, in our Company and its Subsidiaries, as well as to the extent of any dividends, bonuses or other distributions on such shareholding. Additionally, some of our Directors and Senior Managerial Personnel may also be regarded as interested to the extent of employee stock options and stock appreciation rights granted by our Company

We cannot assure you that the interests of our Directors and our Senior Managerial Personnel, if they are also our shareholders, will not conflict with your interests or the interests of the other shareholders of our Company. For details, see “*Board of Directors and Senior Management Personnel*” on page 184.

40. *Our or as the case may be, the Amalgamating Group's operations and workforce are exposed to various natural disasters, hazards and risks that could result in material liabilities, increased expenses and diminished revenues.*

We or as the case may be, the Amalgamating Group conduct various site studies prior to the acquisition of any area of land and its construction and development. However, there are certain unanticipated or unforeseen risks that may arise in the course of property development due to adverse weather and geological conditions such as storms, hurricanes, lightning, floods, landslides and earthquakes. In particular, the MMR is prone to natural disasters and seismic activity and could suffer significant damage should an earthquake occur.

Additionally, operations at construction sites are subject to hazards inherent in providing architectural and construction services, such as the risk of equipment failure, work accidents, fire or explosion. Many of these hazards can cause injury and loss of life, severe damage to and destruction of property and equipment and environmental damage. Occurrence of any such events could adversely effect on our business and reputation. Certain employees of our sub-contractors have suffered injuries and loss of life at our projects sites in the last three years. There can be no assurance that we, or as the case may be, the Amalgamating Group will not bear any liability as a result of these hazards.

41. *We have referred to the data derived from the industry report commissioned from Anarock Property Consultants Private Limited.*

We have commissioned the services of an independent third party research agency, Anarock Property Consultants Private Limited and have relied on the report titled “Real Estate Industry Report” dated April 4, 2022 for industry related data in this Placement Document. This report uses certain methodologies for market sizing and forecasting. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

42. *Any failure in our or as the case may be, the Amalgamating Group's information technology systems could adversely affect our or as the case may be, the Amalgamating Group's business.*

We or as the case may be, the Amalgamating Group use information and communication technologies for the execution and management of our projects. Any delay in implementation or disruption of the functioning of our or as the case may be, the Amalgamating Group's information technology systems could affect our respective ability to assess the progress of our respective projects, process financial information, manage creditors or debtors or engage in normal business activities including online sales. Any such disruption could have an adverse effect on our or as the case may be, the Amalgamating Group's business.

43. *Corrupt practices or fraud or improper conduct may delay the development of a project and adversely affect our or as the case may be, the Amalgamating Group's business and results of operations.*

The real estate development and construction industries in India and elsewhere are not immune to the risks of corrupt practices or fraud or improper practices. Large construction projects in all parts of the world provide opportunities for

corruption, fraud or improper conduct, including bribery, deliberate poor workmanship, theft or embezzlement by employees, contractors or customers or the deliberate supply of low quality materials. If we or as the case may be, the Amalgamating Group or any other persons involved in any of the projects are the victim of or involved in any such practices, our respective reputation or ability to complete the relevant projects as contemplated may be disrupted, thereby adversely affecting our respective business and results of operations.

- 44. *The Promoters of NAM Estates will have the ability to exercise certain control over the Amalgamated Company, which will allow them to influence the outcome of matters submitted for approval of our or as the case may be, the Amalgamating Group's shareholders.***

Upon the completion of the amalgamation of NAM Estates with our Company, promoters of NAM Estates (the "Incoming Promoters") will become promoters of Amalgamated Company and will have the ability to exercise control over the affairs of the Amalgamated Company. There can be no assurance that the Incoming Promoters will not have conflicts of interest with each other, with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

- 45. *We have not been able to obtain certain records of the educational qualifications of a Director and have relied on declarations and undertakings furnished by such individual for details of her profile included in this Placement Document.***

Our director, Justice Gyan Sudha Misra (Retd.) (Independent Director), erstwhile justice of the Supreme Court of India, erstwhile Chief Justice of the Jharkhand High Court and erstwhile justice of such High Court, has been unable to trace documents pertaining to her educational qualifications. Accordingly, our Company and the BRLMs have placed reliance on the declarations and undertakings furnished by her and information disclosed on the websites of the Supreme Court of India and such High Court to disclose details of her educational qualifications as part of this PPD. There can be no assurance that our Director, Justice Gyan Sudha Misra (Retd.), will be able to trace documents pertaining to her educational qualifications in the future or at all.

External Risk Factors

Risks Related to India

- 46. *Our business and that of the Amalgamating Group is substantially affected by prevailing economic, political and other prevailing conditions in India.***

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally, including adverse geopolitical conditions. We and the Amalgamating Group are incorporated in and substantially all our and the Amalgamating Group's operations are located in India. As a result, we and the Amalgamating Group are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our and the Amalgamating Group's results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters;
- outbreak of an infectious disease such as COVID-19;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its construction sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer

inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' income, savings and could in turn negatively affect their demand for our or as the case may be, the Amalgamating Group's products. For example, in 2016, the Reserve Bank of India and the Ministry of Finance of the Government of India introduced demonetization policies, leading to a short-term decrease in liquidity of cash in India, which had in turn negatively affected consumer spending. Although there have been minimal short-term effects on our or as the case may be, the Amalgamating Group's day-to-day business, the medium-term and long-term effects of demonetization on our respective business are uncertain and the effect thereof on our respective business, results of operations, financial condition and prospects cannot be accurately predicted.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our or as the case may be, the Amalgamating Group's business, results of operations and financial condition and the price of the Equity Shares.

47. *Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate.*

The right to own property in India is subject to restrictions that may be imposed by the Government from time to time. In particular, the Government under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (the "**Land Acquisition Act**") has the right to compulsorily acquire any land if such acquisition is for a "public purpose," after providing compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Additionally, we or as the case may be, the Amalgamating Group may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act due to limited jurisprudence on them or if our interpretation differs from or contradicts any judicial pronouncements or clarifications issued by the government. In the future, we or as the case may be, the Amalgamating Group may face regulatory actions or may be required to undertake remedial steps. Any such action in respect of any of the projects in which we or as the case may be, the Amalgamating Group are investing or may invest in the future may adversely affect our respective business, financial condition or results of operations.

48. *We or as the case may be, the Amalgamating Group may be subject to certain State land ceiling laws which restrict our ability to purchase land for development.*

Certain states in India have imposed certain statutory restrictions on the maximum land area that may be held by any one legal entity in the said state. In the event that we or as the case may be, the Amalgamating Group decide to expand our respective business operations into such states where these laws are applicable, we or as the case may be, the Amalgamating Group will have to comply with these laws. Further, if a court of competent jurisdiction adjudicates that we or as the case may be, the Amalgamating Group are in violation of applicable land ceiling laws, our respective property rights, including those held through our respective Subsidiaries may be compulsorily acquired by the concerned State government, which may have a material adverse effect on our respective business, financial condition and future plans.

49. *The real estate industry in India has witnessed significant downturns in the past, and any significant downturn in the future could adversely affect our or as the case may be, the Amalgamating Group's business, financial condition and results of operations.*

Economic developments within and outside India adversely affected the property market in India and our or as the case may be, the Amalgamating Group's overall business in the recent past. The global credit markets have experienced, and may continue to experience, significant volatility and may continue to have an adverse effect on the availability of credit and the confidence of the financial markets, globally as well as in India. As a result of the global downturn, the real estate industry also experienced a downturn. It resulted in an industry-wide softening of demand for property due to a lack of consumer confidence, decreased affordability, decreased availability of mortgage financing, and resulted in large supplies of apartments. Even though the global credit and the Indian real estate markets have shown signs of recovery, market volatility and economic turmoil may continue to exacerbate industry conditions or have other unforeseen consequences, leading to uncertainty about future conditions in the real estate industry. These effects include, but are not limited to, a decrease in the sale of, or market rates for, our or as the case may be, the Amalgamating Group's projects, delays in the release of certain of our or as the case may be, the Amalgamating Group's projects in order to take advantage of future periods of more robust real estate demand and the inability of our or as the case may be, the Amalgamating Group's contractors to obtain working capital. There can be no assurance that the government's responses to the disruptions in the financial markets will restore consumer confidence, stabilize the real estate market or increase liquidity and availability of credit. Any significant downturn in future would have an adverse effect on our or as the case may be, the Amalgamating Group's business, financial condition and results of operations.

50. *Property litigation is common in India and may be prolonged over several years.*

Property litigation particularly litigation with respect to land ownership is common in India (including public interest litigation) and is generally time consuming and involves considerable costs. If any property in which we or as the case may be, the Amalgamating Group have invested is subject to any litigation or is subjected to any litigation in future, it could delay a development project and/or have an adverse impact, financial or otherwise, on us or as the case may be, the Amalgamating Group.

51. *Investors may not be able to enforce a judgement of a foreign court against us.*

We are incorporated under the laws of India. Our assets are primarily located in India and a majority of our Board of Directors and Senior Management Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon us or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

52. *Restrictions on foreign direct investments (“FDI”) and external commercial borrowings in the real estate sector may hamper our ability to raise additional capital. Further, foreign investors are subject to certain restrictions on transfer of shares.*

While the Government has permitted FDI of up to 100% without prior regulatory approval in the development of townships and in the construction of residential or commercial premises, industrial parks, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, and townships, it has issued a notification and imposed certain restrictions or conditionality on such investments pursuant to Press Notes, circulars and regulations (including FEMA Rules) issued by the DPIIT or the RBI or the Ministry of Finance, Government of India, from time to time, as the case may be (collectively, the “FEMA Norms”).

In accordance with the FEMA Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Rules, in the Issue subject to limit of the individual holding of an FPI below 10% of the post- Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) eligible NRIs under Schedule III and Schedule IV of the FEMA Rules. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue. For more information on bids by FPIs, see “Issue Procedure” on page 196.

Further, under FEMA, transfers of shares between non-residents and residents are freely permitted, subject to certain restrictions, if they comply with the pricing guidelines and reporting requirements specified under the FEMA Norms. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements, prior regulatory approval of the RBI will be required. There can be no assurance that any required approval from the RBI or any other government agencies will be obtained on favorable terms, or at all.

Further, under current external commercial borrowing guidelines prescribed by the RBI, companies are required to abide by restrictions including minimum maturity, permitted and non-permitted end-uses, maximum all-in-cost ceiling. Our or as the case may be, the Amalgamating Group inability to raise additional capital as a result of these and other restrictions could adversely affect our respective businesses and prospects.

53. *Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if securities transaction tax (“STT”) is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018 levies taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, an investor may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

The Finance Act, 2020 has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including a simplified alternate direct tax regime and that dividend distribution tax (“DDT”) will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such

dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely to be subject to tax deduction at source. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

The Government of India has announced the union budget for financial year 2023 and there is no certainty on the impact that the new union budget may have on our business and operations or on the industry in which we operate. Further, we or as the case may be, the Amalgamating Group cannot predict whether any tax laws or other regulations impacting us will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on or as the case may be, the Amalgamating Group's business, results of operations and financial condition.

54. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

55. *We or as the case may be, the Amalgamating Group may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our respective business.*

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We or as the case may be, the Amalgamating Group do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

However, if we or as the case may be, the Amalgamating Group are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our or as the case may be, the Amalgamating Group's business.

56. *Significant differences exist between Ind AS used to prepare our and the Amalgamating Group's financial information and other accounting principles, such as IFRS and U.S. GAAP, with which investors may be more familiar.*

Our financial statements and those of the Amalgamating Group included in this Placement Document are prepared and

presented in conformity with Ind AS. Ind AS differ in certain respects from U.S. GAAP, IFRS and other accounting principles and standards. We or as the case may be, the Amalgamating Group have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial information included in this Placement Document nor do we provide for a reconciliation of the financial information included in this Placement Document to those of U.S. GAAP or IFRS. Accordingly, the degree to which financial information included in this Placement Document will provide meaningful information is entirely dependent on investor's familiarity with Indian accounting principles. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

Risks Related to the Equity Shares and the Issue

57. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

58. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. The Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. The governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. The market price of the Equity Shares may decline or fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- developments with respect to the spread or worsening of the COVID-19 pandemic;
- the impact of COVID-19 on our business operations and our ability to be able to service customers, and the consequential impact on our operating results;
- actual or anticipated fluctuations in our operating results;
- announcements about our earnings that are not in line with analyst expectations;
- the public's reaction to our press releases, other public announcements and filings with the regulator;
- significant liability claims, complaints from our customers, shortages or interruptions in the availability of raw materials, or reports of incidents of tampering of raw materials;
- changes in senior management or key personnel;
- macroeconomic conditions in India;
- fluctuations of exchange rates;
- the operating and stock price performance of comparable companies;
- changes in our shareholder base;
- changes in our dividend policy;
- issuances, exchanges or sales, or expected issuances, exchanges or sales;
- changes in accounting standards, policies, guidance, interpretations or principles; and
- changes in the regulatory and legal environment in which we operate; or
- market conditions in the construction and development industry and the domestic and worldwide economies as a whole, including in relation to the COVID-19 crisis.

Any of these factors may result in large and sudden changes in the volume and trading price of the Equity Shares. In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted securities class action litigation against that company. If we were involved in a class action suit, it could divert the attention of management, and, if adversely determined, have a material adverse effect on our business, results of operations and financial condition.

59. The trading price of our Equity Shares may be subject to volatility and you may not be able to sell your Equity Shares at or above the Issue Price

The price of our Equity Shares on the Stock Exchanges may fluctuate after this Issue as a result of several factors, including:

- i. volatility in the Indian and global securities market or in the Rupee's value relative to the U.S. Dollar, the Euro and other foreign currencies;
- ii. our profitability and performance;
- iii. perceptions about our future performance or the performance of Indian companies in general;
- iv. performance of our competitors and the perception in the market about investments in our industry;
- v. adverse media reports about us or our industry;
- vi. significant developments in India's economic liberalization and deregulation policies;
- vii. significant developments in India's fiscal and environmental regulations; and
- viii. changes in central banks' monetary policies of developed economies, affecting the global liquidity scenario.

There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue, or that the price at which our Equity Shares have historically traded will correspond to the price at which the Equity Shares are offered in this Issue or the price at which our Equity Shares will trade in the market subsequent to this Issue. Our Equity Share price may be volatile and may decline post listing.

60. *There is no guarantee that the Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell the Equity Shares held by them on the Stock Exchange.*

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares.

61. *Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by any of our significant shareholders may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares.

62. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by shareholders of such company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

63. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*

Our Company has not declared dividends in the past. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future.

64. *There may be less information available about companies listed on Indian securities markets than companies listed on securities markets in other countries.*

There may be less publicly available information about Indian public companies, including our Company, than is

regularly disclosed by public companies in other countries with more mature securities markets. There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in those markets, and that of markets in other more developed economies. In India, while there are certain regulations and guidelines on disclosure requirements, insider trading and other matters, there may be less publicly available information about Indian companies than is regularly made available by public companies in many developed economies. As a result, you may have access to less information about our business, results of operations and financial condition, and those of our competitors that are listed on the Stock Exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of certain other countries.

65. *Fluctuations in the exchange rate between the Rupee and the U.S. dollar could have an adverse effect on the value of the Equity Shares, independent of our operating results.*

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into U.S. dollars for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

66. *An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.*

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to venture capital funds and alternative investment funds in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors.

67. *Your ability to acquire and sell Equity Shares is restricted by the distribution and transfer restrictions set forth in this Placement Document.*

No actions have been taken to permit a public offering of the Equity Shares in any jurisdiction, including India. As such, the Equity Shares have not and will not be registered under the U.S. Securities Act, any state securities laws or the law of any jurisdiction other than India. Furthermore, the Equity Shares are subject to restrictions on transferability and resale. You are required to inform yourself about and observe these restrictions, which are set forth in this Placement Document under the heading “Selling Restrictions” on page 210 and “Purchaser Representations and Transfer Restrictions” on page 218. We, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.

MARKET PRICE INFORMATION

The Equity Shares have been listed on BSE and NSE since March 23, 2007. As on the date of this Placement Document, 456,115,896 (includes 392,544 Equity Shares represented by 392,544 GDRs) Equity Shares have been issued, subscribed and paid up.

As of April 6, 2022, the closing price of the Equity Shares on BSE and NSE was ₹115.80 and ₹115.85 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low, average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the following periods:

- (i) 12 month period commencing from April 1, 2021 and ending on March 31, 2022;
- (ii) 12 month period commencing from April 1, 2020 and ending on March 31, 2021; and
- (iii) 12 month period commencing from April 1, 2019 and ending on March 31, 2020.

BSE											
Fiscal	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total volume of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total volume of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
2022	191.10	November 09, 2021	2,054,486	395.13	73.90	April 19, 2021	699,098	51.86	133.56	272,415,867	37,010.68
2021	119.95	March 05, 2021	3,973,833	468.41	39.60	April 01, 2020	41,674	1.69	63.93	135,419,004	10,922.08
2020	131.60	June 06, 2019	2,530,422	323.52	38.75	March 25, 2020	2,739	0.11	83.35	265,409,231	28,879.39

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen

NSE											
Fiscal	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total volume of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total volume of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
2022	191.05	November 09, 2021	20,040,324	3,857.81	74.0	April 19, 2021	5,947,172	440.67	133.57	3,312,265,435	4,49,701.00
2021	120.10	March 05, 2021	19,518,704	2,317.40	39.8	April 01, 2020	1,592,992	64.39	63.94	1289,331,377	1,00,260.56
2020	131.40	June 06, 2019	25,652,917	3,268.19	38.70	March 25, 2020	47,419	1.84	83.40	1304,194,709	1,25,744.55

(Source: www.nseindia.com)

Note:

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading turnover for the following periods during each of the last six months, as applicable:

BSE											
Month, year	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total volume of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total volume of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
March 2022	110.95	March 17, 2022	1,248,489	137.80	99.20	March 07, 2022	1,191,067	119.19	105.07	21,115,038	2,227.53
February 2022	146.45	February 02, 2022	656,393	96.72	101.65	February 24, 2022	2,038,296	213.15	128.10	22,781,898	2,748.77
January 2022	173.50	January 12, 2022	961,171	167.83	141.95	January 27, 2022	1,452,029	205.56	160.00	15,280,444	2,447.63
December 2021	179.25	December 10, 2021	1,798,759	314.00	147.55	December 20, 2021	1,295,138	193.58	165.27	19,617,563	3,282.70
November 2021	191.1	November 09, 2021	2,054,486	395.13	161.45	November 01, 2021	893,651	142.15	177.38	28,912,721	5,143.21
October 2021	174.6	October 18, 2021	1,753,724	312.30	147.4	October 06, 2021	1,094,589	165.92	155.99	21,878,603	3,486.21

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In case of two days with the same high or low price, the date with the higher volume has been chosen

NSE											
Month, year	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total volume of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total volume of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in million)
March 2022	111.00	March 17, 2022	11,112,252	1,227.62	99.20	March 07, 2022	12,154,667	1,217.46	105.07	234,346,819	24,758.17
February, 2022	146.45	February 02, 2022	7,023,290	1,034.75	101.75	February 24, 2022	25,121,613	2,628.55	128.09	297,959,308	35,732.16
January 2022	173.70	January 12, 2022	12,887,975	2,248.23	141.90	January 27, 2022	17,017,499	2,410.18	159.99	214,408,304	34,582.27
December 2021	179.10	December 10, 2021	22,477,130	3,937.75	147.8	December 20, 2021	15,295,099	2,295.74	165.30	245,384,035	41,031.39
November 2021	191.05	November 09, 2021	20,040,324	3,857.81	161.45	November 01, 2021	12,367,233	1,968.49	177.34	294,388,881	52,310.44
October 2021	174.45	October 18, 2021	29,862,107	5,318.39	147.6	October 06, 2021	10,186,745	1,540.18	155.96	248,125,957	39,621.53

(Source: www.nseindia.com)

Note:

1. High, low and average prices are based on the daily closing prices.
2. In case of two days with the same high or low price, the date with the higher volume has been chosen.

- (iii) The following tables set forth the market price on the Stock Exchanges on December 23, 2021 the first working day following the approval of the Board for the Issue:

BSE					
Open	High	Low	Close	Number of Equity Shares traded	Turnover (₹ in million)
163	165	159.25	159.95	697,749	113.19

(Source: www.bseindia.com)

NSE					
Open	High	Low	Close	Number of Equity Shares traded	Turnover (₹ in million)
162.8	164.8	159.1	159.95	6,195,971	1,005.56

(Source: www.nseindia.com)

In the event the high or low or closing price of the Equity shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

USE OF PROCEEDS

The gross proceeds of the Issue aggregates to approximately ₹8,650.06 million. After deducting the Issue expenses (including fees and commissions) of approximately ₹250.00 million, the net proceeds of the Issue is approximately ₹8,400.06 million (“**Net Proceeds**”).

Subject to compliance with applicable laws and regulations, our Company intends to maintain sufficient liquidity and use the Net Proceeds for various purposes, including but not limited to capital expenditure (including acquisition of land, land development rights or development rights), long-term working capital, refinancing/repayment/pre-payment of the borrowings of the Company and/or its Subsidiaries and general corporate purposes.

We will have flexibility in deploying the Net Proceeds received from the Issue in our best interest and as permissible under applicable laws and regulations. The amounts and timing of any expenditure will depend on, factors such as *inter alia*, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by the Board and/ or a duly authorized committee of the Board, from time to time only for such purposes, as permitted under the Companies Act and other applicable laws. Please also see “*Risk Factors – The fund requirements mentioned in the Net Proceeds of the Issue have not been appraised by any bank or financial institution and we have not entered into definitive agreements in relation to the objects for which the Net Proceeds shall be utilised. If there are delays or cost overruns in utilisation of Net Proceeds, our business, financial condition, cash flows and results of operations may be materially and adversely affected*” on page 57.

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clauses of our Memorandum of Association enables us to undertake the objects contemplated by us in this Issue.

Neither our Promoter, Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the objects of the Issue. Further, neither our Promoter nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to QIBs, our Promoter, Directors or key managerial personnel are not eligible to subscribe in the Issue.

Since the Net Proceeds are proposed to be utilised towards the purposes set forth above, and not being used towards implementation of any project, the following disclosure requirements are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

CAPITALISATION STATEMENT

The table below sets forth our Company's capitalisation which has been derived from our Limited Reviewed Unaudited Consolidated Financial Results for the nine months period ended December 31, 2021 and as adjusted to give effect to the receipt of the gross proceeds of the Issue and the application thereof.

You should read this table together with the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 83 and Limited Reviewed Unaudited Consolidated Financial Results included in the section "Financial Statements" beginning on page 244.

(₹ in million)

Sr. No.	Particulars	Pre-Issue	Post-Issue
		As at December 31, 2021 (Consolidated) (Refer Note-1 below)	Amount after considering the Issue (Refer Note-2 below)
I	Borrowings:		
	Debt securities	12,868.9	12,868.9
	Borrowings (Other than debt securities)	-	-
	Subordinated liabilities	-	-
	Total borrowings	12,868.9	12,868.9
II	Shareholders' fund		
	Share capital	906.0	906.0
	Fresh shares pursuant to the Issue	-	171.1
	Instruments entirely equity in nature	4,250.0	4,250.0
	Other equity (excluding securities premium account)	(23,950.0)	(23,950.0)
	Securities premium account	53,836.1	53,836.1
	Securities premium account pursuant to the Issue	-	8,478.9
	Total shareholders' fund	35,042.1	43,692.2
III	Total borrowings / shareholders' fund	0.37	0.29

Notes:

1. Amounts derived from the Limited Reviewed Unaudited Consolidated Financial Results for the nine months period ended December 31, 2021.
2. The figures included under Post Issue column relating to the shareholder's fund are derived after considering the impact due to the issue of the Equity Shares only through the qualified institutions placement assuming that the Issue will be fully subscribed and does not include any other transactions or movements/ issue related expenses.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Placement Document is set forth below:

(In ₹ million, except share data)

	Aggregate value at face value [#]
A AUTHORISED SHARE CAPITAL	
750,000,000 Equity Shares (having a face value of ₹2 each)	1,500.00
364,000,000 preference shares having a face value of ₹10 each	3,640.00
B ISSUED, SUBSCRIBED AND PAID UP CAPITAL BEFORE THE ISSUE	
456,115,896 fully paid up Equity Shares ⁽³⁾	912.23
C PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT	
85,559,435 Equity Shares aggregating to approximately ₹8650.06 million ⁽¹⁾⁽²⁾	171.12
D ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE	
541,675,331 Equity Shares ⁽³⁾	1083.35
E SECURITIES PREMIUM ACCOUNT	
Before the Issue ⁽⁴⁾	53,956.85
After the Issue ⁽²⁾	62,435.79

⁽¹⁾ The Issue has been authorised by the Board of Directors pursuant to its resolution passed on December 22, 2021. The Shareholders have authorised and approved the Issue by way of a special resolution passed on February 7, 2022.

⁽²⁾ The amount has been calculated on the basis of gross proceeds from the Issue. Adjustments do not include Issue related expenses

⁽³⁾ This includes 392,544 Equity Shares represented by 392,544 GDRs.

⁽⁴⁾ As on April 7, 2022

[#] Except for securities premium account

Equity share capital history of our Company

The following table sets forth the history of Equity Share capital of our Company since incorporation:

Date of issue/allotment	Number of Equity Shares	Cumulative Number of Equity Shares	Face value (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Consideration (Cash/other than cash)	Cumulative paid-up Equity Share capital (₹)
January 13, 2007	11,000,000	11,000,000	2	70	Allotment of Equity Shares upon conversion of series I warrants ⁽¹⁾	Cash	22,000,000
February 4, 2007	168,675,378	179,675,378	2	2	Allotment of Equity Shares to the shareholders of Indiabulls Financial Services Limited ⁽²⁾	Cash	359,350,756
July 10, 2007	38,759,688	218,435,066	2	416.76	Allotment of Equity Shares to Deutsche Bank Trust Company Americas ⁽³⁾	Cash	436,870,132
July 21, 2007	11,500,000	229,935,066	2	138	Issue of Equity Shares to Oberon Limited ⁽⁴⁾	Cash	459,870,132
November 5, 2007	10,000,000	239,935,066	2	115.13	Allotment of Equity Shares upon conversion of series II warrants ⁽⁵⁾	Cash	479,870,132
January 23, 2008	900,000	240,835,066	2	60	Allotment under ESOP 2006	Cash	481,670,132
May 15, 2008	16,685,580	257,520,646	2	654.40	Issue of Equity Shares to Deutsche Bank Trust Company Americas ⁽⁶⁾	Other than Cash	515,041,292
May 22, 2009	143,594,593	401,115,239	2	185	Issue of Equity Shares through private placement	Cash	802,230,478
August 11, 2009	225,000	401,340,239	2	60	Allotment under ESOP 2006	Cash	802,680,478
November 25, 2009	135,000	401,475,239	2	60	Allotment under ESOP 2006	Cash	802,950,478
March 15, 2010	64,000	401,539,239	2	60	Allotment under ESOP 2006	Cash	803,078,478

Date of issue/allotment	Number of Equity Shares	Cumulative Number of Equity Shares	Face value (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Consideration (Cash/other than cash)	Cumulative paid-up Equity Share capital (₹)
April 19, 2010	15,000	401,554,239	2	60	Allotment under ESOP 2006	Cash	803,108,478
June 17, 2010	104,500	401,658,739	2	110.50	Allotment under ESOP 2008	Cash	803,317,478
August 26, 2010	122,000	401,780,739	2	60	Allotment under ESOP 2006	Cash	803,561,478
August 26, 2010	10,000	401,790,739	2	110.50	Allotment under ESOP 2008	Cash	803,581,478
January 4, 2011	437,500	402,228,239	2	60	Allotment under ESOP 2006	Cash	804,456,478
January 4, 2011	14,000	402,242,239	2	110.50	Allotment to eligible Employees under ESOP 2008	Cash	804,484,478
April 8, 2011	38,500	402,280,739	2	60	Allotment under ESOP 2006	Cash	804,561,478
July 4, 2011	630,000	402,910,739	2	60	Allotment under ESOP 2006	Cash	805,821,478
November 28, 2011	28,700,000	431,610,739	2	140.50	Conversion of warrants into partly paid-up equity shares ⁽⁷⁾	Cash	820,171,478
December 5, 2011	(100,000)	431,510,739	2	N.A.	Forfeiture of partly paid-up equity shares due to non-payment of call money	N.A.	820,121,478
December 9, 2011	-	431,510,739	2	-	Receipt of first call money on partly paid-up equity shares	Cash	820,550,478
December 12, 2011	42,500,000	474,010,739	2	2	Allotment of Equity Shares to IBREL-IBL Scheme Trust ⁽⁸⁾	Cash	905,550,478
February 24, 2012	-	474,010,739	2	-	28,600,000 partly paid-up equity shares were made fully paid-up pursuant to the full and final call	Cash	948,021,478
May 11, 2012	(8,650,000)	465,360,739	2	-	Buy-back	Cash	930,721,478
May 22, 2012	(2,500,000)	462,860,739	2	-	Buy-back	Cash	925,721,478
June 1, 2012	(1,216,331)	461,644,408	2	-	Buy-back	Cash	923,288,816
June 13, 2012	(1,630,291)	460,014,117	2	-	Buy-back	Cash	920,028,234
June 29, 2012	(250,914)	459,763,203	2	-	Buy-back	Cash	919,526,406
July 13, 2012	(848,873)	458,914,330	2	-	Buy-back	Cash	917,828,660
August 9, 2012	(5,000)	458,909,330	2	-	Buy-back	Cash	917,818,660
August 22, 2012	(10,759,995)	448,149,335	2	-	Buy-back	Cash	896,298,670
August 30, 2012	(6,474,802)	441,674,533	2	-	Buy-back	Cash	883,349,066
September 7, 2012	(3,498,818)	438,175,715	2	-	Buy-back	Cash	876,351,430
September 18, 2012	(2,979,442)	435,196,273	2	-	Buy-back	Cash	870,392,546
September 27, 2012	(3,185,534)	432,010,739	2	-	Buy-back	Cash	864,021,478
October 6, 2012	(1,000,000)	431,010,739	2	-	Buy-back	Cash	862,021,478
October 23, 2012	(7,000,000)	424,010,739	2	-	Buy-back	Cash	848,021,478
June 9, 2014	862,000	424,872,739	2	60	Allotment under ESOP 2006	Cash	849,745,478
November 20, 2014	105,000	424,977,739	2	60	Allotment under ESOP 2006	Cash	849,955,478
July 22, 2015	36,700,000	461,677,739	2	67	Preferential Allotment	Cash	923,355,478

Date of issue/allotment	Number of Equity Shares	Cumulative Number of Equity Shares	Face value (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Consideration (Cash/other than cash)	Cumulative paid-up Equity Share capital (₹)
April 1, 2016	43,600,000	505,277,739	2	67	Conversion of warrants	Cash	1,010,555,478
May 20, 2016	371,000	505,648,739	2	60	Allotment under ESOP 2006	Cash	1,011,297,478
September 12, 2016	880,000	506,528,739	2	54.50	Allotment under ESOP 2010	Cash	1,013,057,478
October 27, 2016	135,600	506,664,339	2	54.50	Allotment under ESOP 2010	Cash	1,013,328,678
December 27, 2016	(2,500,000)	504,164,339	2	-	Buy-back	Cash	1,008,328,678
January 4, 2017	(5,500,000)	498,664,339	2	-	Buy-back	Cash	997,328,678
January 11, 2017	(7,000,000)	491,664,339	2	-	Buy-back	Cash	983,328,678
January 23, 2017	(4,000,000)	487,664,339	2	-	Buy-back	Cash	975,328,678
February 22, 2017	(50,000)	487,614,339	2	-	Buy-back	Cash	975,228,678
March 9, 2017	(1,600,000)	486,014,339	2	-	Buy-back	Cash	972,028,678
March 23, 2017	(7,600,000)	478,414,339	2	-	Buy-back	Cash	956,828,678
April 14, 2017	(5,796,000)	472,618,339	2	-	Buy-back	Cash	945,236,678
May 8, 2017	1,275,500	473,893,839	2	60	Allotment under ESOP 2006	Cash	947,787,678
May 8, 2017	230,000	474,123,839	2	110.50	Allotment under ESOP 2008	Cash	948,247,678
May 8, 2017	550,300	474,674,139	2	54.50	Allotment under ESOP 2010	Cash	949,348,278
May 8, 2018	2,006,150	476,680,289	2	54.50	Allotment under ESOP 2010	Cash	953,360,578
June 20, 2018	(17,273,013)	459,407,276	2	-	Buy-back	Cash	918,814,552
June 30, 2018	(5,200,000)	454,207,276	2	-	Buy-back	Cash	908,414,552
July 10, 2018	(1,327,531)	452,879,745	2	-	Buy-back	Cash	905,759,490
July 18, 2018	(1,000,000)	451,879,745	2	-	Buy-back	Cash	903,759,490
July 28, 2018	(200,000)	451,679,745	2	-	Buy-back	Cash	903,359,490
August 24, 2018	(999,456)	450,680,289	2	-	Buy-back	Cash	901,360,578
May 31, 2019	1,677,375	452,357,664	2	54.50	Allotment under ESOP 2010	Cash	904,715,328
June 28, 2019	2,306,212	454,663,876	2	54.50	Allotment under ESOP 2010	Cash	909,327,752
November 30, 2021	60,000	454,723,876	2	110.50	Allotment under ESOP 2008	Cash	909,447,752
November 30, 2021	1,392,020	456,115,896	2	54.50	Allotment under ESOP 2010	Cash	912,231,792
Total	456,115,896*						912,231,792

* This includes 392,544 Equity Shares represented by 392,544 GDRs.

(1) Allotment of the Equity Shares was made upon conversion of series I warrants issued pursuant to the scheme of arrangement between Indiabulls Financial Services Limited and our Company which was approved by an order dated November 24, 2006 of the High Court of Delhi, New Delhi ("Approved Scheme, 2006").

(2) Allotment of the Equity Shares was made to shareholders of Indiabulls Financial Services Limited as on January 9, 2007 in the ratio of 1:1, pursuant to the Approved Scheme, 2006.

(3) Allotment of the Equity Shares underlying and representing GDRs.

(4) Allotment of 11,500,000 Equity Shares pursuant to conversion of preference shares issued by the Company pursuant to the Approved Scheme, 2006.

(5) Allotment of the Equity Shares was made upon conversion of series II warrants issued pursuant to the Approved Scheme, 2006.

(6) Allotment of the Equity Shares underlying and representing GDRs, pursuant to the scheme of arrangement between Dev Property Development Plc. ("DPD") and its shareholders providing for acquisition by the Company of 100% ordinary shares of DPD as approved by an order dated May 7, 2008 of the Isle of Man Courts of Justice.

(7) Allotment of the Equity Shares was made upon conversion of warrants issued pursuant to the scheme of arrangement by and amongst our Company, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited, and Poena Power Supply Limited and their respective shareholders and creditors which was approved by an order dated October 17, 2011 by the High Court of Delhi,

New Delhi (“**Approved Scheme, 2011**”).

⁽⁸⁾ Allotment of the Equity Shares was made to IBREL-IBL Scheme Trust, an equity shareholder of Indiabulls Builders limited, pursuant to the Approved Scheme, 2011.

Preference shares

As on the date of this Placement Document, there are no outstanding preference shares.

Warrants

The Company had allotted Equity Shares upon conversion of the warrants, as specifically indicated in the table above. As on the date of this Placement Document, there are no outstanding warrants.

Employee stock option schemes

Our Company had implemented four stock option/employee benefit schemes, namely, Indiabulls Real Estate Limited Employees Stock Option Scheme 2006, Indiabulls Real Estate Limited Employees Stock Option Scheme 2008 (II), Indiabulls Real Estate Limited Employees Stock Option Scheme 2010 and Indiabulls Real Estate Limited Employees Stock Option Scheme 2011, of which two stock option/employee benefit schemes are currently active, namely Indiabulls Real Estate Limited Employees Stock Option Scheme 2010 and Indiabulls Real Estate Limited Employees Stock Option Scheme 2011 (collectively, the “**IBREL Stock Option Schemes**”).

Further, our Company has settled a trust in the name of ‘Indiabulls Real Estate Limited – Employees Welfare Trust’ (“**Trust**”) to efficiently manage the current as well as any future share-based employees benefits schemes, in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI Employee Benefit Regulations**”).

Indiabulls Real Estate Limited Employees Stock Options Scheme 2010

Our Company introduced an employee stock option scheme namely, Indiabulls Real Estate Limited Employees Stock Option Scheme 2010 (“**ESOP 2010**”), which was approved by the Board on November 26, 2010 and by the shareholders through postal ballot, result of which was declared on December 29, 2010, to grant its employees and employees of our Subsidiaries up to 30,000,000 options, therefore entitling the option holders to purchase an equivalent number of equity shares of IBREL having a face value of ₹2 each as per exercise price as stated in the said 2010 Plan. The purpose of the ESOP 2010 is to provide a benefit to the employees eligible under the ESOP 2010 and to attract, reward and motivate the employees for their high level of individual performance, by providing them an additional incentive.

The ESOP 2010 comprises of:

- i. Indiabulls Real Estate Limited Employees Stock Option Scheme – 2010 (“**Stock Option Scheme**”);
- ii. Indiabulls Real Estate Limited Employees Stock Purchase Plan 2010 (“**Stock Purchase Plan**”); and
- iii. Indiabulls Real Estate Limited Stock Appreciation Rights Plan 2010 (“**Stock Appreciation Rights Plan**”).

The vesting of stock options granted thereunder the Stock Option Scheme commenced from June 26, 2016. However, all options granted under the Stock Option Scheme are either fully exercised or lapsed and there are no stock options outstanding as on date of this Placement Document. The ESOP 2010 was modified pursuant to the resolution of the Compensation Committee of our Company on April 19, 2021, through which the stock appreciation rights (“**SARs**”) were included as part of the ESOP 2010.

In terms of the Stock Purchase Plan an offer of Equity Shares shall be made to the eligible employees based on the performance of the participant or such other criteria as decided by the compensation committee. The offer of Equity Shares is required to specify the number of Equity Shares offered under the Stock Purchase Plan, the share price at which the Equity Shares will be transferred from the Trust to the employee, fulfilment of the performance and other conditions, if any, subject to which Equity Shares shall be transferred and the other terms and conditions thereof.

In terms of the Stock Appreciation Rights Plan, the SARs shall be awarded by the Trust to the eligible employees of our Company and/or Subsidiaries, which shall include recurring awards to the same employee, based upon the performance of the participant or such other criteria as may be decided by the compensation committee. Under the Stock Appreciation Rights Plan, the vesting period cannot be for a period less than one year from the date of awarding the SARs.

3,125,164 Equity Shares, acquired by the Trust from secondary market during financial year 2021 and currently held by the Trust, have been appropriated/granted to the employees of our Company and/or our Subsidiaries, in pursuance and in compliance with applicable SEBI Employee Benefit Regulations. As per the vesting schedule, 100% SARs shall vest at the expiry of one year from the date of its grant and the rights can be exercised within a period of five years from such vesting date.

Indiabulls Real Estate Limited Employees Stock Option Scheme 2011

Our Company had introduced an employee stock option scheme namely, Indiabulls Real Estate Limited Employees Stock Option Scheme 2011 (“ESOP 2011”), which was approved by the Board on September 3, 2011 and by the shareholders on September 30, 2011, to grant its employees up to 15,000,000 options, entitling the option holders to purchase an equivalent number of equity shares of IBREL having a face value of ₹2 each as per exercise price as stated in the ESOP 2011. The purpose of the ESOP 2011 is to provide benefit to the employees eligible under the ESOP 2011 and attract, retain and further motivate the best talent by providing them an additional incentive in the form of stock options and thereby increasing the profitability of our Company.

No stock options have been granted as on the date of this Placement Document under the ESOP 2011.

Details of the IBREL Stock Option Schemes as at December 31, 2021 are provided below:

Scheme	Options granted	Price per option (₹)	Options vested	Options exercised	Options lapsed/forfeited	Options outstanding	No. of Equity Shares to be allotted upon exercise of outstanding options
Indiabulls Real Estate Limited Employees Stock Option Scheme 2010*	10,500,000	54.50	8,947,657	8,947,657	1,552,343	Nil	Nil
Indiabulls Real Estate Limited Employees Stock Option Scheme 2011	Nil	-	-	-	-	-	-

* In addition, an aggregate of 3,125,164 SARs have been granted under ESOP - 2010, which are still to be vested. No equity shares shall be issued pursuant to exercise of SARs; the benefit / appreciation shall be settled by the Trust from the 3,125,164 Equity Shares, acquired by it.

Pre-Issue and post-Issue shareholding pattern

Sr. No.	Category	Pre-Issue as of December 31, 2021		Post-Issue*	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held	% of shareholding
A.	Promoter's holding[#]				
1.	Indian				
	Individual	1,200,000	0.26	150,000	0.03
	Corporate	0	0.00	0	0.00
	Sub-total (A)	1,200,000	0.26	150,000	0.03
B.	Non - Promoter's holding				
2.	Institutional investors	109,069,722	23.91	193,731,045***	35.76
3.	Non-institutional investors				
a.	Individual share capital upto Rs. 2 Lacs	141,364,392	30.99	171,643,873	31.69
b.	Individual share capital in excess of Rs. 2 Lacs	64,554,672	14.15	42,774,658	7.90
c.	NBFCs registered with RBI	50,087	0.01	70,087	0.01
d.	Any Other [including Non-resident Indians (NRIs) and clearing members]	136,359,315	29.90	129,787,960	23.96
	Sub-total (B)	451,398,188	98.97	538,007,623	99.32
C.	Non-Promoter- Non Public shareholder				
4.	Custodian/DR Holder	392,544	0.09	392,544	0.07
5.	Employee Benefit Trust	3,125,164	0.69	3,125,164	0.58
	Sub-total (C)	3,517,708	0.77	3,517,708	0.65
	Total (A+B+C)	456,115,896**	100.00	541,675,331**	100.00

* The post-Issue shareholding pattern of our Company reflects the shareholding of the institutional investors category on basis of the Allocation made in the Issue, and reflects the shareholding of all other categories as of April 8, 2022.

[#] Includes shareholding of the members of the Promoter Group. The Promoter and Promoter group of our Company have through their request letter dated January 1, 2022, sought reclassification from 'promoter and promoter group' category to 'public' category in accordance with Regulation 31A of the SEBI Listing Regulations. Such re-classification is subject to receipt of approval from the Stock Exchanges in accordance with SEBI Listing Regulations. For further information, please see “Proposed Merger of Nam Estates and EOCDDL with our Company - Re-classification of Promoter and Promoter Group” on page 182.

** This includes 392,544 Equity Shares represented by 392,544 GDRs.

*** Assuming Allotment of the Equity Shares pursuant to the Issue

There are no outstanding options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.

No change in control in our Company will occur consequent to the Issue.

Except as disclosed in '*Capital Structure - Equity share capital history of our Company*' on page 76, our Company has not made any allotment of Equity Shares in the year immediately preceding the date of this Placement Document, including for consideration other than cash, or pursuant to a preferential issue, private placement or a rights issue.

Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice for the meeting conducted through VC / OAVM facility on February 7, 2022, to the Shareholders for the approval of this Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on the Stock Exchanges.

Proposed Allottees in the Issue

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in "*Proposed Allottees in the Issue*" on page 245.

DIVIDENDS

The declaration and payment of dividend will be recommended by our Board of Directors and approved by our Shareholders at their discretion. The dividend for any financial year shall be paid out of our Company's profits for that year or accumulated profits of any previous financial year(s) in accordance with provisions of the Companies Act the Articles of Association and our Company's dividend distribution policy. The dividend policy of our Company specifies that financial parameters shall be considered before declaration of dividend and consideration to (i) internal factors such as distributable profits and the opportunities available for strengthening and growth of its business; and (ii) external factors such as macroeconomic conditions, state of the economy, state of real estate sector and such other factors as deemed appropriate by the Board, shall be given before declaring dividends.

Our Company has not declared any dividend for the current Fiscal and Fiscals 2022, 2021 and 2020.

The Equity Shares to be issued in connection with this Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the Fiscal in which they have been allotted. For further information, please see the section entitled "*Description of the Equity Shares*" on page 223.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, the factors set out in the dividend distribution policy and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

The amounts paid as dividend in the past are not necessarily indicative of dividend which may be declared by our Company, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future. For a summary of some of the restrictions that may materially affect our ability to declare or pay dividends, see "*Risk Factors - Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 70.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our unaudited but reviewed Consolidated Financial Statements as of and for the nine months ended December 31, 2021 and 2020 and our audited Consolidated Financial Statements as of and for the financial years ended March 31, 2021, 2020 and 2019, including the related notes, schedules and annexures. Our Consolidated Financial Statements have been prepared under Indian Accounting Standards (“**Ind AS**”) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act 2013 to the extent applicable.*

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. Financial information for the nine months ended December 31, 2021 is not annualized and not indicative of full year results, and is not comparable with annual financial statements presented in this Placement Document.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under “Forward-looking Statements” and “Risk Factors” on pages 19 and 40, respectively.

*Certain information contained in this section is taken from the report titled “Real Estate Industry Report”, dated April 4, 2022 prepared by Anarock Property Consultants Private Limited and commissioned and paid for by our Company from Anarock (the “**Anarock Report**”). Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

Overview

We are a prominent real estate developer in the Mumbai Metropolitan Region (“**MMR**”) and the National Capital Region (“**NCR**”) of India. We have a diversified presence in residential real estate developments across the Mid-income, Premium and Luxury price categories. Geographically, our strategic focus is in our key markets of MMR and NCR. As of December 31, 2021, our inventory amounted to a total Saleable Area of 17.3 million square feet, out of which 10.0 million square feet was located in the MMR region and 4.6 million square feet was located in the NCR region. Our flagship projects include Indiabulls Blu Estate & Club residential towers in Worli, Mumbai. As of the date of this Placement Document, we have 11 residential projects and 4 commercial projects in MMR, NCR, Jodhpur, Vadodara, Vizag and Indore in various stages of completion. Our shares are listed on the BSE and the NSE. Our global depository receipts (“**GDRs**”) are also listed on the Luxembourg Stock Exchange.

Our core competency lies in managing the real estate value chain as we have in-house capabilities to deliver a project from conceptualization to completion. We believe that a significant competitive differentiator for us has been our track record in delivering strategically-located large scale projects with high quality construction and sustainable practices. Our adept technical and design team aim to ensure efficient and quality developments. We believe we have the human capital and technology-enabled systems to successfully manage large construction projects with timely and quality execution and delivery and years of on the ground industry experience. We place an emphasis on safety in all phases of construction. We believe that our understanding of the relevant real estate market, positive perception, innovative design and marketing and branding techniques enable us to attract customers.

As of December 31, 2021, our projects with occupation certificates or near completion comprised of approximately 14.5 million square feet of Saleable Area, of which, approximately 13.7 million square feet or 94.1% is in residential housing, and approximately 0.9 million square feet or 5.9% comprises of commercial projects. Our ongoing projects comprised approximately 12.6 million square feet of Saleable Area, of which approximately 12.1 million square feet or 95.8% is in residential housing and 0.5 million square feet or 4.2% is in the commercial space. Our planned projects comprised approximately 7.5 million square feet of Saleable Area, of which approximately 6.1 million square feet or 81.7% is in residential housing and 1.4 million square feet or 18.3% are commercial developments. Our portfolio of ongoing projects include Blu Estate and Club (Worli), Indiabulls Park (Panvel), One Indiabulls (Thane), One Indiabulls (Gurugram) and Indiabulls One 09 (Gurugram). Further, our planned projects comprise Arivali (Panvel), Indiabulls Golf City (Savroli), Silverlake Villas (Alibaug) and Centrum (Indore).

We also have one of the largest land banks among listed Indian real estate developers (*Source: Anarock Report*). Our land banks are located near major metropolitans, including the MMR, NCR and Chennai. We believe our significant land banks allow us to seize potential market opportunities without the need to first spend time and resources locating and acquiring the land. We also have the option to monetize certain part of our land banks in non-core locations, which in turn allows us to focus on enhancing our presence in strategic locations.

On August 18, 2020, the Board of our Company approved a scheme of amalgamation (the “**Amalgamation**”) amongst the Amalgamating Group and our Company, pursuant to which NAM Estates and EOCDPL will merge with our Company (such merged entity, the “**Amalgamated Company**”), as further described in “*Proposed Merger of NAM Estates and EOCDPL with our Company*” on page 179. There can be no assurance we will receive all relevant regulatory approvals, satisfy all conditions precedents or other requirements in a timely manner or at all. For more information, please see “*Risk Factors – Internal Risk Factors – There is no assurance that the Proposed Merger will be completed in a timely manner or at all*” on page 40. For details of the rationale of the amalgamation, please see “*Proposed Merger of NAM Estates and EOCDPL with our Company – Rationale of the Proposed Merger*” on page 179. For details in relation to the combined post-amalgamation strategy, please see “*Our Strategy*” on page 171. Further, for a description of the business of the Amalgamating Group, please see “*Business of the Amalgamating Group*” on page 156.

The table below shows our key financial and operational metrics for our operations:

Particulars	As of and for the nine months ended December 31, 2021	As of and for the financial year ended		
		March 31, 2021	March 31, 2020	March 31, 2019
Sales ⁽⁷⁾ (Value in ₹ million)	7,531.3	14,883.4	7,056.3	7,230.4
Sales (Saleable Area ⁽¹⁾⁽⁷⁾ in million square feet)	1.0	1.1	0.8	1.1
Sales ⁽⁷⁾ (number of units)	542	565	539	845
Gross Collections ⁽²⁾ (₹ in million)	7,815.0	19,366.0	44,178.2	25,645.8
Completed Built-up Area (million square feet)	0.7	0.3	0.8	10.3
Debt to Equity Ratio ⁽³⁾	0.4	0.4	0.8	1.4
Revenue from operations (₹ in million)	11,918.5	15,214.2	32,707.8	49,438.9
EBITDA ⁽⁴⁾ (in ₹ million)	835.9	3,203.3	9,704.9	13,215.5
EBITDA Margin ⁽⁵⁾	7.0%	21.1%	29.7%	26.7%
Profit/(Loss) for the period/year (in ₹ million)	(765.3)	47.2	1,211.1	5,043.2
Profit After Tax Margin ⁽⁶⁾	(6.4%)	0.3%	3.7%	10.2%

Notes:

- (1) Saleable Area means the total carpet area in relation to each project along with appropriate loading to adjust for common areas, service and storage area parking area, area for amenities and other open areas
 - (2) Gross collections comprises collections towards residential and commercial units and land, other charges, rebates given to customers, indirect taxes and facility management charges. Includes collection from sales of apartments, plots, land and projects.
 - (3) Debt to Equity Ratio means total external borrowings divided by total shareholders’ fund
 - (4) EBITDA means Earnings before interest, taxes, depreciation, amortisation and impairment excluding other income
 - (5) EBITDA Margin means EBITDA as a percentage of revenue from operations
 - (6) Profit After Tax Margin means profit after tax as a percentage of revenue from operations
 - (7) For sales in terms of value, area and units considered classification based on active sales as at December 31, 2021
- Gross collections, EBITDA, EBITDA Margin and Profit After Tax Margin are not recognized measures under Ind AS or other recognized accounting standards.

Significant Factors Affecting Our Results of Operations and Financial Condition

Our results of operations and financial condition may be affected by a number of significant factors, including the following:

COVID-19 Pandemic

Our business and operations have been and could continue to be adversely affected by health epidemics, including the ongoing COVID-19 pandemic. See “*Risk Factors — Internal Risk Factors – The extent to which the Coronavirus disease (COVID-19) may affect our or as the case may be, the Amalgamating Group’s business and operations in the future is uncertain and cannot be predicted.*” on page 45.

The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. Central and state governments have imposed one or more lockdowns in response to the pandemic.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others.

Despite the lifting of the lockdowns, there remains significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future.

The COVID-19 pandemic has affected and may affect our business, results of operations and financial condition in a number of ways, such as the following:

- we saw some slowdown in the sales of our units, caused by material decline in general business activities in the real estate sector in India and consequently there were slower collections from customers. These conditions prevailed in the first half of financial year 2021 in particular.
- it caused construction delays at our ongoing projects due to several factors such as lockdowns enforced by government agencies, work-stoppage orders, disruptions in the supply of materials and shortage of labour. We have gradually resumed construction at our sites in compliance with the government guidelines;
- it led to a closure of our offices and we moved to a work-from-home model. We resumed operations at our offices in a staggered manner in compliance with government guidelines; a surge in the number of COVID-19 cases in the future could result in a complete or partial closure of, or other operational issues at, our offices pursuant to government action;
- it may adversely impact our ability to access debt and equity capital on acceptable terms, or at all, and further disruption and instability in the global financial markets, deteriorations in credit and financing conditions, or downgrades of India's credit ratings may affect our access to capital and other sources of funding necessary for our operations or for addressing maturing liabilities on a timely basis;
- it may result in the imposition of operational guidelines or other conditions on landlords to protect the health and safety of personnel working at our commercial developments, which may result in additional costs and demands on our facility management team;
- it may affect our ability to execute our growth strategies and expand into new markets;
- it may lead to inherent productivity, connectivity, and oversight challenges due to an increase in number of individuals working from home;
- it increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics, resulting from the increase in numbers of individuals working from home;
- it may give rise to uncertainty as to whether and when government authorities would completely lift "stay-at-home" orders; and
- it may negatively affect the health of our personnel, particularly if a significant number of them are afflicted by COVID-19, and could result in a deterioration in our ability to ensure business continuity during this disruption.

Note 62 of our Audited Consolidated Financial Statements for financial year 2021 states that our operations are slowly and gradually resuming, and we have considered the possible impact of COVID-19 in preparing the financial results including the recoverable value of the assets and the liquidity position of the Group, based on internal and external information up to the date of approval of the financial statements. We are continuously and closely observing the unfolding situation and will continue to do so.

The COVID-19 pandemic may intensify, and there may be future outbreaks of other highly infectious or contagious diseases. To the extent, the COVID-19 pandemic adversely affects us, it may also significantly increase the effect of the factors affecting our results of operations mentioned below.

General Economic Conditions and the Condition and Performance of the Real Estate Sector in MMR and NCR, and India generally

We derive substantially all of our revenue from our real estate activities in India. Accordingly, we are heavily dependent on the state of the Indian real estate sector and the Indian economy in general. As demand for new residential and commercial properties is driven by increased employment and increasing disposable income, any slowdown or perceived slowdown in the Indian economy (including as a result of the COVID-19 pandemic), or in specific sectors of the Indian economy, could adversely affect our business and financial performance. In addition, India's real estate sector is cyclical in nature and is affected by factors such as affordability, government duty, pricing, payment plans, interest rates and state and central government initiatives.

If the real estate sector were in a downwards cycle, overall sales volume in the real estate sector may be lower as compared to an upwards cycle, and vice versa.

Our real estate development activities are primarily focused in and around the MMR and NCR. As of December 31, 2021, our inventory amounted to a total Saleable Area of 17.3 million square feet, out of which 10.0 million square feet was located in the MMR region and 4.6 million square feet was located in the NCR region. These MMR and NCR real estate markets may perform differently in terms of supply, absorption and average base selling price from the real estate markets in other parts of India. Any change in the performance of these real estate markets, including as a result of other factors described in this section may affect our results of operations and financial condition. For more details on the MMR and NCR real estate markets, please see “*Industry Overview*”.

Fluctuations in Market Prices for our Projects

Our total income is affected by the sales price of our projects, which are affected by prevailing market conditions and prices in the real estate sector in India generally (including market forces of supply and demand), the nature and location of our projects, and other factors such as our brand and reputation and the design of the projects.

Supply and demand market conditions are affected by various factors outside our control, including:

- prevailing local economic, income and demographic conditions;
- availability of consumer financing (interest rates and eligibility criteria for loans);
- availability of and demand for projects comparable to those we develop;
- changes in governmental policies;
- changes in applicable regulatory schemes; and
- competition from other real estate developers.

Sales Volume and Rate of Progress of Construction and Development

We recognize revenue as per Ind AS 115 “Revenue from Contract with Customers”. This standard specifies that revenue from sale of residential or commercial properties is recognized when the performance obligations are essentially complete. The performance obligations are considered to be complete when the property is ready to be transferred to the buyer (occupancy certificate received from the issuing authority) i.e. offer for possession can be issued to the buyers by issuing the possession request letter. Further, the volume of bookings depends on our ability to design projects that will meet customer preferences and market trends, and to timely market and pre-sell our projects, the preference of customers to pay for the projects or enter into sale agreements well in advance of receiving possession of the projects in addition to general market conditions. We market and pre-sell our projects in phases from the date of launch of the project after receiving requisite approvals, including those required under the RERA, which is typically after acquisition of the land or land development rights and during the process of planning and designing the project, up until the time we complete our project, depending on market conditions. Construction progress depends on various factors, including any disruptions caused by lockdowns imposed by the government as a result of the COVID-19 pandemic, the availability of labor and raw materials, the actual cost of construction (which is particularly affected by fluctuations in the market price for steel and cement) and changes to the estimated total construction cost, the competence of and priority given to our projects by our contractors, the receipt of approvals and regulatory clearances, access to utilities such as electricity and water, and the absence of contingencies such as litigation and adverse weather conditions.

Ability to Develop our Land Reserves

Our growth is linked to the size of our land reserves and the availability of land in areas where we intend to develop projects either by ourselves or under joint development or joint venture arrangements. We may also seek to monetize certain part of our land reserves to recycle capital and fuel growth. For more information on our land reserves, please see “*Our Business – Land Reserves*”.

The cost of acquiring land, which includes the amounts paid for freehold rights, leasehold rights, the cost of registration and stamp duty, represents a substantial part of our project cost, and may sometimes determine whether we are able to acquire certain parcels of land at all. We acquire land from private parties and also from the Government. We enter into a deed of conveyance or a lease deed transferring title or leasehold rights in our favor. The registration charges and stamp duty are payable by us. Additional costs include those incurred in complying with regulatory formalities, such as fees paid for change of land use, infrastructure and development charges and premium.

Cost of Construction and Development

Our cost of construction includes the cost of raw materials such as steel, cement, wood, flooring and other building materials and labor costs. Raw material prices, particularly those of steel and cement, may be affected by price volatility caused by various factors that affect the Indian and international commodity markets. If there are extraordinary price increases in construction materials due to increases in demand for cement and steel, or shortages in supply, the contractors we hire for construction or development work may be unable to fulfil their contractual obligations and may therefore be compelled to increase their contract prices. As a result, increases in costs for any construction materials may affect our construction costs, and consequently our margins unless we are able to pass on such costs by increasing the sales price for our projects. Further, certain approval costs and premiums payable to Government authorities are linked to the ready reckoner rates announced by the relevant government authorities periodically. Any increase in the ready reckoner rates increases our approval costs.

In addition, the timing and quality of construction of the projects we develop depends on the availability and skill of our contractors and consultants, as well as contingencies affecting them, including labor and industrial actions, such as strikes and lockouts. Such labor and industrial actions may cause significant delays to the construction timetables for our projects and we may therefore be required to find replacement contractors and consultants at higher cost. As a result, any increase in prices resulting from higher construction costs could adversely affect demand for our projects and our profit margins.

Cost of Financing and Changes in Interest Rates

We fund our property development activities through a combination of medium and long-term debt and internal accruals. Accordingly, our ability to obtain financing, as well as the cost of such financing, affects our business.

Though we believe we are able to obtain funding at competitive interest rates, cost of financing is material for us. Our total outstanding borrowings, on a consolidated basis was ₹12,868.9 million, ₹12,225.1 million, ₹26,992.0 million and ₹55,342.7 million as of December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, respectively, and our finance costs were ₹855.2 million for the nine months ended December 31, 2021, and ₹2,278.9 million, ₹4,811.6 million and ₹4,643.2 million for the financial years 2021, 2020 and 2019, respectively. One of the major drivers behind the growth of demand for housing units is rising disposable income and availability of housing loans at affordable interest rates. Changes in interest rates also affect the ability and willingness of our prospective real estate customers, particularly customers for our residential properties, to obtain financing for their purchase of our developments. The interest rate at which our real estate customers may borrow funds for the purchase of our properties affects the affordability and purchasing power of, and hence the market demand for, our residential real estate developments.

Competition

The real estate development industry in India, while fragmented, is highly competitive. Our competitors include real estate developers such as Godrej Properties Limited, Oberoi Realty Limited, Piramal Realty Private Limited, DLF Limited, Prestige Estates Projects Limited, Wadhwa Group Holdings Private Limited, Dosti Realty Limited, Hiranandani Developers Private Limited, L&T Realty Limited, Rustomjee Builders Private Limited, Kalpataru Limited and Tata Housing Development Company Limited. We compete with these companies for the sale of our developments as well as entering into joint development and joint venture opportunities.

Regulatory Framework

The real estate sector is highly regulated. Regulations applicable to our operations include standards regarding land acquisition, the ratio of built-up area to land area, land usage, the suitability of building sites, road access, necessary community facilities, open spaces, water supply, sewage disposal systems, electricity supply, environmental suitability and size of the project. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and compliance with relevant conditions. Approvals must be obtained at both the national and local levels, and our results of operations are expected to continue to be affected by the nature and extent of the regulation of our business, including the relative time and cost involved in procuring approvals for each new project, which can vary from project to project. For example, the RERA, which was notified in March 2016, has imposed certain obligations on real estate developers, including us, such as mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, restrictions on use of funds received from customers prior to project completion and taking customer approval for major changes in sanction plan.

In addition, some of our affordable income housing real estate projects qualify for tax benefits. The continuation of these benefits cannot be assured and if they are disputed or terminated, there could be a material effect on our results of operations. The GST regime which took effect from July 1, 2017 and any new rules or regulations thereunder may also have a material effect on our results of operations.

Strategic Divestments

In prior periods, we have carried out strategic divestments from time to time, which have affected our results of operations and financial condition. During the financial year 2020, we recognized one-off revenues from certain divestments, including the following:

- we sold one commercial asset/development at Mumbai to an entity controlled by Blackstone Group Inc. (“**Blackstone**”). We recognized revenue amounting to ₹10,350.0 million from such sale;
- we sold our remaining stake in joint venture companies owning commercial assets in Lower Parel, Mumbai and Udyog Vihar, Gurugram for an aggregate consideration of ₹27,170.0 million to entities controlled by Blackstone. We recognized profit amounting to ₹7,805.5 million from such sale; and
- we divested our stake in One Indiabulls Park in Chennai to entities controlled by Blackstone by way of a scheme of arrangement. Such scheme of arrangement aims to simplify our corporate structure and create economies in administrative and managerial costs by consolidating operations. We recognized net gain amounting to ₹2,140.7 million from the transaction.

Amalgamation with NAM Estates Private Limited and Embassy One Commercial Property Developments Private Limited

On August 18, 2020, the Board of our Company approved a scheme of amalgamation (the “**Amalgamation**”) amongst the Amalgamating Group and our Company, pursuant to which NAM Estates and EOCDPL will merge with our Company (such merged entity, the “**Amalgamated Company**”), as further described in “*Proposed Merger of NAM Estates and EOCDPL with our Company*” on page 179. There can be no assurance we will receive all relevant regulatory approvals, satisfy all conditions precedents or other requirements in a timely manner or at all. For more information, please see “*Risk Factors – Internal Risk Factors – There is no assurance that the Proposed Merger will be completed in a timely manner or at all*” on page 40

If the Amalgamation is completed, there may be significant changes to our business, operations, assets and strategies, which may in turn affect our results of operations and financial condition. The impact of such Amalgamation on our results of operations and financial conditions will depend on numerous factors, including the size of the Amalgamating Group’s business and operations, existing assets, supplier and customer base, the terms of the Amalgamation and our ability to realize the anticipated growth opportunities and synergies from combining such business. There can be no assurance that we will realize all anticipated growth opportunities and synergies after the Amalgamation. For more information, please see “*Risk Factors – Internal Risk Factors - Assuming the completion of the Proposed Merger, if we are unable to successfully integrate the Amalgamating Group to our business and realize the anticipated benefits of the Proposed Merger, our business, results of operations, financial condition and cash flows may be adversely affected*”. In addition, there may be risks associated with the Amalgamating Group that may materially and adversely affect our business, financial condition and results of operations which we are not aware of. Please see “*Risk Factors – Internal Risk Factors - The Proposed Merger is not yet effective and there are limitations on the information relating to the Amalgamating Group disclosed in this Placement Document.*”

Apart from affecting our future results of operations and financial condition, the Amalgamation makes it difficult to analyze and evaluate our future results of operations and financial conditions based on our historical financial statements since the trends in such results will not be reflected in our consolidated financial statements. For details of the rationale of the amalgamation, please see “*Rationale of the Proposed Merger*”. For details in relation to the combined post-amalgamation strategy, please see “*Our Combined Strategy*”. Further, for a description of the business of the Amalgamating Group, please see “*Business of the Amalgamating Group*”.

Our Significant Accounting Policies

Our accounting policies are fully described in our Consolidated Financial Statements included in “*Financial Statements*” on page 244.

Basis for preparation

Our consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorized into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable

Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which we have control. We control an entity when we have power over the investee and are exposed to, or have rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. We have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to us. They are deconsolidated from the date when control ceases. Statement of profit and loss (including other comprehensive income (“OCI”)) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31.

We combine the financial statements with our subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains/(losses) on transactions between group companies are eliminated. We apply the accounting principles and policies consistently.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary’s statement of profit and loss and net assets that is not held by us. Statement of profit and loss balance (including each component of OCI) is attributed to our equity holders and to the non-controlling interests basis the respective ownership interests and the such balance is attributed even if this results in the non-controlling interests having a deficit balance.

We treat transactions with non-controlling interests that do not result in a loss of control as transactions with our equity owners. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Joint ventures

Investments in joint arrangements are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement. We have classified our investment in joint arrangement as joint ventures.

Interest in joint venture are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with our accounting principles and policies. The consolidated statement of profit and loss (including the other comprehensive income) includes our share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

On loss of joint control, the difference between proceeds from disposal (including fair value of any retained interests) and the carrying amount of the investment in joint ventures is recognized in consolidated statement of profit and loss.

Business combination

We apply the acquisition method in accounting for business combinations. The consideration transferred by us to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are generally recognized in the statement of profit and loss as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

Goodwill is initially measured as excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred and where exists clear evidence of underlying reasons of classifying business combinations as bargain purchase, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

Revenue Recognition

Revenue from sale of properties is recognized when the performance obligations are essentially complete. The performance obligations are considered to be complete when the property is ready to be transferred to the buyer (occupancy certificate received from the issuing authority) i.e. offer for possession can be issued to the buyers by issuing the possession request letter.

We consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which we expect to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, we determine at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. We recognize a receivable when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

Revenue from construction contracts

Revenue and related expenditures in respect of short-term works contracts that are entered into and completed during the year are accounted for on accrual basis as they are earned. Revenue and related expenditures in respect of long-term works contracts are accounted for on the basis of 'input method' as the performance obligations are satisfied over time. In case of cost plus contracts, revenue is recognized as per terms of specific contract, i.e. cost incurred plus an agreed profit margin. Further, we consider the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue from sale of land

Revenue from sale of land is recognized in the year in which the underlying sale deed is executed and there exists no uncertainty in the ultimate collection of consideration from buyer.

Base rent and amenities income

Base rent and amenities income are recognized on a straight-line basis over the terms of the lease, except for contingent rental income, which is recognized when it arises. Base rent comprises rental income earned from the operating leases and finance lease of the owned properties. Amenities income is rental revenue earned from the letting of space at the properties for amenities (including canteen space and business center) is recognized in the period in which the services are being rendered.

Land lease income

Upfront lease premium received/receivable is recognized on operating lease basis i.e. on straight line basis over the lease term of the lease/sub-lease arrangement. Annual lease rentals are recognized on an accrual basis.

Operations and maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognized in the period in which the services are being rendered. We recognize a receivable when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, we consider the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying real estate business

Profit on sale of investments of entities in the real estate business is recognized in the year in such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognized as part of other operating income as in substance, such sale reflects the sale of real estate business. However, in case of loss on sale of such investments, the same is recognized as part of other expense.

Gain on fair valuation of investment (remaining stake)

Gain on fair valuation of investment is recognized in the year in which the remaining investment is fair valued basis the consideration received for the proportionate stake sale. The said gain is recognized as part of other operating income as there is underlying business of real estate development.

Revenue from real estate properties advisory and management services

Income arising from real estate properties advisory is recognized in the period in which the services are being rendered. We consider the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue on account of settlement of existing project

Revenue from such settlement is recognized in the year in which the underlying executed documents are received and there exists no uncertainty in the ultimate collection of consideration.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (“EIR”) method.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

Gain on amortised cost financial assets

Gain on de-recognition of financial asset carried at amortised cost is recognized in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realizable value, on the basis of first-in first-out method.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

Property Plant and Equipment

Recognition and Initial Investment

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Group. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset class	Useful life
Building – temporary structures	1 – 3 years
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years
Ship	13 years

Leasehold improvements

Leasehold improvements have finite useful life and, therefore, are capitalized separately and amortized over the lease period or the estimated useful life of the leasehold improvements. Presently, the estimated useful life of the assets is less than the lease period and is as below:

Asset class	Useful life
Boundary wall	5 years
Water pipeline	12 years
Other infrastructure works	10 years
Electrical work	10 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in statement of profit and loss when the asset is derecognized

Investment Property

Recognition and initial measurement

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Group. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Though we measure investment property using cost-based measurement, the fair value of investment property is disclosed in the notes to the financial statements. Fair values are determined based on an annual valuation performed by an accredited external independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Subsequent measurement (depreciation and useful lives)

Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset class	Useful life
Leasehold Land	Over lease period
Building and related fixtures	
<i>Buildings</i>	60 years
<i>Fixtures</i>	10 years
Plant and equipment	12 - 15 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of de-recognition.

Investment property under development

Investment property under development represents expenditure incurred in respect of capital projects are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

Right of use asset classified as investment property

We have taken a land on long-term lease for which it has recognized right of use assets. We then sub-lease the said right of use assets under an operating lease and hence, this has been classified as investment property and measure accordingly.

Intangible assets

Recognition and initial measurement

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a useful life of 3 to 4 years from the date of its acquisition.

De-recognition

Intangible asset is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognized.

Assets held for sale

Non-current assets are classified as held for sale if their sale is considered highly probable. They are measured at fair value less cost to sell.

Lease

Where we are the lessee

Right of use assets and lease liabilities

Up until the financial year ended March 31, 2019, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental were charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, we consider whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 41 of the Consolidated Financial Statements). A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’.

Classification of leases

We enter into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, we recognize a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs we incur, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

We depreciate the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. We also assess the right-of-use asset for impairment when such indicators exist.

At lease commencement date, we measure the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or our incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

We have elected to account for short-term leases using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in statement of profit and loss on a straight-line basis over the lease term.

Where we are the lessor

Leases are classified as finance leases when we have transferred to the lessee substantially all of the risks and rewards of ownership. Amounts due from lessees under finance leases are recorded as receivables at the our net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which we do not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Impairment of non-financial assets

At each reporting date, we assess whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

Financial instruments

Financial assets

Recognition and initial measurement

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

(i) *Debt instruments at amortised cost* – A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method.

- (ii) *Equity investments* – All equity investments in scope of Ind AS 109 Financial Instruments (“**Ind AS 109**”) are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (“**FVTPL**”). For all other equity instruments, we may decide to classify the same either as at fair value through other comprehensive income (FVOCI) or FVTPL. We make such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.
- (iii) *Mutual funds* – All mutual funds in scope of Ind AS 109 are measured at FVTPL.

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or we have transferred our rights to receive cash flows from the asset measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income).

Financial liabilities

Recognition and initial measurement

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, most of the liabilities are measured at amortised cost using the effective interest method.

Recognition and initial and subsequent measurement – fair value

A financial liability is classified as FVTPL if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains/losses, including any interest expense are recognized in statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Net investment hedge

We have entered into certain forward (derivative) contracts to hedge foreign currency risk. Derivative financial instruments are accounted at FVTPL except for derivatives designated as hedging instruments. To qualify for hedge accounting, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction.

Hedge of net investments in foreign operations are accounted for similar to cash flow hedges. The changes in fair value of forward element is recognized in other comprehensive income and accumulated in net investment hedge reserve in equity. The difference between forward and spot element at the date of designation of hedging instrument is amortised over the period of hedge. Gains and losses accumulated in equity are reclassified to profit or loss on partial or full settlement.

Impairment of financial assets

In accordance with Ind AS 109, we apply expected credit loss (“ECL”) model for measurement and recognition of impairment loss for financial assets. We factor in historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, we apply the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, we assess if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, we measure the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. We assume that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

Foreign currency

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee (‘INR’) which is also our functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Translation of foreign operations

Functional and reporting currencies of foreign operations are different from our reporting currency. In respect of foreign operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the statement of profit and loss are translated at the average exchange rate (that approximates the actual exchange rates) during the year. The exchange difference arising out of the translation are recognized in other comprehensive income and are accumulated as foreign currency translation reserve, in the balance sheet until the disposal of the net investments at which time they are recognized as income or as expenses.

Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of current tax and deferred tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax (“MAT”) credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences (including differences arising on account of consolidation) between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealized tax loss are recognized to the extent that it is probable that the underlying tax loss

will be utilized against future taxable income. This is assessed based on the forecast of future operating results of respective entity, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Employee benefits

Defined contribution plan

Our contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate properties under development, as the case may be. Our contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Defined benefit plan

We have unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation ("DBO") at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

We also provide the benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognized over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of our holding company.

Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within our control; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Significant management judgment in applying accounting policies and estimation uncertainty

The preparation of our consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgments

- *Recognition of deferred tax assets* – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.
- *Evaluation of indicators for impairment of assets* – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- *Recoverability of advances/receivables* – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.
- *Provisions* – At each balance sheet date basis the management judgment, changes in facts and legal aspects, we assess the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- *Classification of leases*—We enter into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, we reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Significant estimates

The following are significant estimates in applying our accounting policies that have the most significant effect on the financial statements.

- *Revenue and inventories* – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, we used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined.
- *Useful lives of depreciable/amortisable assets* – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilization of asset.
- *Defined benefit obligation (“DBO”)* – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- *Fair value measurements* – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.
- *Valuation of investment property* – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. We engage independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

Income and Expenses

Our income and expenses are reported in the following manner:

Income

Total income consists of revenue from operations and other income.

Revenue from Operations

Revenue from operations include:

- revenue from real estate properties;
- revenue from sale of land;
- revenue from real estate properties advisory and management services;
- rental and land lease;
- revenue from construction contracts; and
- Other operating revenue which primarily comprises revenue from sale of commercial undertaking, profit on sale of stake in joint ventures with underlying real estate business, net gain on settlement through merger scheme and fair value impact on assets held for sale, profit on sale of investments in entity carrying out real estate business, interest income on delayed payments from customers and service receipts and forfeiture income.

Other Income.

Other income primarily comprises interest income on loans, bank deposits and others, foreign exchange gain (net) and excess provision/liabilities written back.

Expenses

Our expenses consist of cost of projects, employee benefits expense, finance costs, depreciation, amortization and impairment expenses, and other expenses.

Cost of Revenue:

Cost of projects primarily includes costs of land, developed properties and decrease in inventory of land and real estate properties.

Employee Benefits Expenses:

Employee benefits expenses include salaries and wages, contributions to the provident fund and other employee-related funds and staff welfare expenses and share based payment expenses.

Finance Costs:

Finance costs include interest expenses, interest on lease liabilities, lease on income taxes and other borrowing costs.

Depreciation and Amortization Expenses:

Our depreciation and amortization expenses relate to depreciation on property, plant and equipment, depreciation on investment property, depreciation on right of use assets and amortization of intangible assets.

Other Expenses:

Other expenses primarily comprise rates and taxes, legal and professional expenses, brokerage and marketing expenses and claims and compensations.

Our Results of Operations

The following table sets out select financial data from our consolidated statements of profit and loss for the nine months ended December 31, 2021 and 2020, the components of which are also expressed as a percentage of total income for such periods:

Particulars	For the nine months ended December 31			
	2021		2020	
	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)
Income:				
Revenue from Operations	11,918.5	93.9%	7,896.8	87.5%
Other Income	770.2	6.1%	1,128.7	12.5%
Total Income	12,688.7	100.0%	9,025.5	100.0%
Expenses:				
Cost of land plots, constructed properties and others	10,163.2	80.1%	5,944.5	65.9%
Employee Benefits Expense	561.9	4.4%	340.7	3.8%
Finance Costs	855.1	6.7%	1,937.4	21.5%
Depreciation and Amortisation Expense	86.8	0.7%	145.2	1.6%
Other Expenses	1,127.7	8.9%	1,269.0	14.1%
Total Expenses	12,794.8	100.8%	9,636.7	106.8%
Profit/(loss) Before Tax	(106.0)	(0.8%)	(611.2)	(6.8%)
Tax Expense:	659.3	5.2%	286.7	3.2%
Profit/(loss) for the Period	(765.3)	(6.0%)	(897.9)	(9.9%)

Nine months ended December 31, 2021 compared to nine months ended December 31, 2020

Total Income.

Total income increased by 40.6% to ₹ 12,688.7 million for the nine months ended December 31, 2021 from ₹ 9,025.5 million for the nine months ended December 31, 2020, primarily due to increase in revenue from operations.

Revenue from Operations:

Revenue from operations increased by 50.9% to ₹ 11,918.50 million for the nine months ended December 31, 2021 from ₹ 7,896.80 million for the nine months ended December 31, 2020, primarily due to increase in units qualifying for revenue recognition as a result of units becoming ready for transfer to their respective buyers. For more information on our revenue recognition, please see “Our Significant Accounting Policies – Revenue Recognition” above.

Other Income:

Other income decreased by 31.8% to ₹ 770.2 million for the nine months ended December 31, 2021 from ₹ 1,128.7 million for the nine months ended December 31, 2020, primarily due to a decrease in interest bearing loans given to third parties.

Total Expenses:

Total expenses increased by 32.8% to ₹ 12,794.8 million for the nine months ended December 31, 2021 from ₹ 9,636.7 million for the nine months ended December 31, 2020, primarily due to an increase in cost of revenue, in line with the increase in our revenue from operations.

Cost of land plots, constructed properties and others:

The cost of land plots, constructed properties and others increased by 71.0% to ₹ 10,163.2 million for the nine months ended December 31, 2021 from ₹ 5,944.5 million for the nine months ended December 31, 2020, primarily due to an increase in cost of revenue during the nine months ended December 31, 2021, compared to the nine months ended December 31, 2020.

Employee Benefits Expense:

Employee benefits expense increased by 64.9% to ₹ 561.9 million for the nine months ended December 31, 2021 from ₹ 340.7 million for the nine months ended December 31, 2020 primarily due to an upward revision in salaries.

Finance Costs:

Finance costs decreased by 55.9% to ₹ 855.1 million for the nine months ended December 31, 2021 from ₹ 1,937.4 million for the nine months ended December 31, 2020, primarily due to an overall reduction in the our debt.

Depreciation and Amortization:

Depreciation and amortization decreased by 40.2% to ₹ 86.8 million for the nine months ended December 31, 2021 from ₹ 145.2 million for the nine months ended December 31, 2020, primarily due to a decrease in right to use assets and corresponding decrease in amortization of right to use assets.

Other Expenses:

Other expenses decreased by 11.1% to ₹ 1,127.7 million for the nine months ended December 31, 2021 from ₹ 1,269.0 million for the nine months ended December 31, 2020. Our other expenses were higher during the nine months ended December 31, 2020 primarily due to certain non-current investments being written off during the period.

Total Tax Expense:

Total Tax Expense increased by 130.0% to ₹ 659.3 million for the nine months ended December 31, 2021 from ₹ 286.7 million for the nine months ended December 31, 2020, primarily due to an increase in taxable income of certain of our subsidiary companies.

Net Loss for the Period:

Our loss for the year decreased by 14.8% to ₹ 765.3 million for the nine months ended December 31, 2021 from ₹ 897.9 million for the nine months ended December 31, 2020.

The following table sets out select financial data from our consolidated statements of profit and loss for the financial years 2021, 2020 and 2019, the components of which are also expressed as a percentage of total income for such periods:

Particulars	For the year ended March 31					
	2021		2020		2019	
	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)	(₹ in millions)	(% of Total Income)
Income:						
Revenue from Operations	15,214.2	91.5%	32,707.8	95.1%	49,438.9	94.6%
Other Income	1,406.4	8.5%	1,698.5	4.9%	919.1	1.8%
Net gain on de-recognition of financial asset carried at amortised cost	-	-	-	-	1,871.3	3.6%
Total Income	16,620.6	100.0%	34,406.3	100.0%	52,229.3	100.0%
Expenses:						
Cost of Revenue						
Cost Incurred during the Year	2,430.4	14.6%	13,380.5	38.9%	20,262.0	38.8%
Decrease in Real Estate Properties	8,702.2	52.4%	5,098.8	14.8%	15,123.2	29.0%
Employee Benefits Expense	520.7	3.1%	1,138.2	3.3%	1,384.8	2.7%
Finance Costs	2,278.9	13.7%	4,811.6	14.0%	4,643.2	8.9%
Depreciation and Amortisation	172.5	1.0%	307.6	0.9%	174.5	0.3%
Impairment Losses on Financial Assets	-	-	839.5	2.4%	-	-
Other Expenses	1,763.9	10.6%	4,244.4	12.3%	2,243.9	4.3%
Total Expenses	15,868.6	95.4%	29,820.6	86.7%	43,831.6	83.9%
Profit before Exceptional Items, Tax and Share of (Loss)/Profit from Joint Ventures	752.0	4.6%	4,585.7	13.3%	8,397.9	16.1%
Share of Profit/ (Loss) in Associate and Joint Venture	-	-	(15.8)	0.0%	39.9	0.1%
Profit before Exceptional Items and Tax	752.0	4.6%	4,569.9	13.3%	8,437.8	16.2%
Exceptional items - Interest on Income Tax	-	-	793.1	2.3%	-	-
Profit Before Tax	752.0	4.6%	3,776.8	11.0%	8,437.8	16.2%
Tax Expense:	704.8	4.2%	2,565.7	7.5%	3,394.6	6.5%
Net Profit for the Year	47.2	0.4%	1,211.1	3.5%	5,043.2	9.7%

Financial Year 2021 compared to Financial Year 2020

Total Income:

Total income decreased by 51.7% to ₹16,620.6 million for the financial year 2021 from ₹34,406.3 million for the financial year 2020, primarily due to decrease in revenue from operations.

Revenue from Operations:

Revenue from operations decreased by 53.5% to ₹15,214.2 million for the financial year 2021 from ₹32,707.8 million for the financial year 2020, primarily because there were one-off gains arising from certain divestments in the financial year 2020, including the following:

- in financial year 2020, we recognized revenues amounting to ₹10,350.0 million arising from the sale of a commercial asset/development in Mumbai to an entity controlled by Blackstone;

- in financial year 2020, we recognized profit amounting to ₹7,805.5 million arising from the sale of our stake in certain joint venture companies owning commercial assets in Lower Parel, Mumbai and Udyog Vihar, Gurugram for an aggregate consideration of ₹27,170.0 million to entities controlled by Blackstone; and
- in financial year 2020, we recognized net gains of ₹2,140.7 million arising from the divestment of our stake in One Indiabulls Park in Chennai to entities controlled by Blackstone by way of a scheme of arrangement.

A decrease in revenue from construction contracts in financial year 2021, primarily as a result of a decrease in construction contracts which are cyclical in nature and this also contributed to the decrease in revenue from operations.

The decrease was partially offset by an increase in revenue from real estate properties. Such increase was primarily due to a one-off loss in the financial year 2020 arising from our subsidiary, Indiabulls Intraestate Limited which recorded cancellation of multiple units in its projects. These units had been cancelled based on the terms of the agreement entered between the parties on account of non-payment of certain outstanding dues, pertaining to those units. The refunds arising of these cancellations had been duly paid to the customers/lenders where these units were mortgaged. The increase in revenue from real estate properties was also due to an increase in units qualifying for revenue recognition during financial year 2021 compared with financial year 2020, as a result of these units becoming ready for transfer to their respective buyers. For more information on our revenue recognition, please see “*Our Significant Accounting Policies – Revenue Recognition*” above.

Other Income:

Other income decreased to ₹ 1,406.4 million for the financial year 2021 from ₹ 1,698.5 million for the financial year 2020, primarily due to a decrease in interest income on loans, bank deposits and others, which was in turn caused by decrease in interest bearing loans given to third parties. The decrease was partially offset by foreign exchange gain.

Total Expenses:

Total expenses decreased by 46.8% to ₹ 15,868.6 million for the financial year 2021 from ₹ 29,820.6 million for the financial year 2020, primarily due to decrease in costs incurred during the year, finance costs and other expenses, partially offset by increases in decrease in real estate properties and impairment losses on financial assets and an excess provision/liabilities written back in financial year 2021.

Cost incurred during the year:

The costs incurred during the year decreased by 81.8% to ₹ 2,430.5 million for the financial year 2021 from ₹ 13,380.5 million for the financial year 2020, primarily due a decrease in cost of land, developed properties and others, which was in turn caused by an increase in projects reaching near completion stage.

Decrease in Real Estate Properties:

The decrease in real estate properties increased by 70.7% to ₹ 8,702.2 million for the financial year 2021 from ₹ 5,098.8 million for the financial year 2020, primarily due to a decrease in inventory as a result of an increase in projects reaching near completion stage in the financial year 2021.

Employee Benefits Expense:

Employee benefits expense decreased by 54.3% to ₹ 520.7 million for the financial year 2021 from ₹ 1,138.20 million for the financial year 2020 primarily due to a decrease in salaries and wages, which was in turn caused by pay cut undertaken by the senior management of the Company.

Finance Costs:

Finance costs decreased by 52.6% to ₹ 2,278.9 million for the financial year 2021 from ₹ 4,811.6 million for the financial year 2020, primarily due to a decrease in interest expenses, which was in turn caused by an overall reduction in the debt of the Company.

Depreciation and Amortization:

Depreciation and amortization decreased by 43.9% to ₹ 172.5 million for the financial year 2021 from ₹ 307.6 million for the financial year 2020, primarily due to lower depreciation on right of use assets.

Other Expenses:

Other expenses decreased by 58.4% to ₹ 1,763.9 million for the financial year 2021 from ₹ 4,244.4 million for the financial year 2020, primarily due to a decrease in claims and compensations, legal and professional expenses and donations. The claims and compensations in financial year 2020 was caused by provisioning made for expected outflows on account of certain RERA orders against the Company. The legal and professional expenses relate to professional fees provided for on account of sale of our stake in certain subsidiary companies and joint ventures.

Impairment losses on Financial Assets:

There was a one-off impairment financial loss on financial assets of ₹ 839.5 million for the financial year 2020, primarily due to a one off impairment in value of loans (net) and loans written off.

Exceptional items - Interest on Income Tax. Exceptional item – interest on income tax was nil in financial year 2021 as compared to ₹ 793.1 million in financial year 2020, primarily due to interest on income tax we had paid pursuant to a final order (the “**ITSC Order**”) from the Income Tax Settlement Commission (the “**ITSC**”) in the financial year 2020. The ITSC Order was issued in connection with certain tax liabilities from previous financial years. See note 55 of our Consolidated Financial Statements for financial year 2020 for more information.

Total Tax Expense:

Total Tax Expense decreased by 72.5% to ₹ 704.8 million for the financial year 2021 from ₹ 2,565.7 for the financial year 2020. For financial year 2021, we had a current tax expense of ₹ 54.6 million and a deferred tax expense of ₹ 650.1 million. For the financial year 2020, we had a current tax expense of ₹ 503.2 million and a deferred tax expense of ₹ 2,062.3 million. Our effective tax rate (which represents the ratio of total tax expenses to profit before tax during the relevant period, expressed as a percentage) was 93.7% and 55.9% for the financial years 2021 and 2020, respectively. The decrease in total tax expense was partially offset by an one-off additional tax expense in financial year 2020 arising from the ITSC Order.

Net Profit for the Year:

Our profit for the year decreased by 96.1% to ₹ 47.2 million for the financial year 2021 from ₹ 1,211.1 million for the financial year 2020.

Financial Year 2020 compared to Financial Year 2019

Total Income:

Total income decreased by 34.1% to ₹ 34,406.4 million for the financial year 2020 from ₹ 52,229.30 million for the financial year 2019, primarily due to an decrease in revenue from operations.

Revenue from Operations:

Revenue from operations decreased by 33.8% to ₹ 32,707.8 million for the financial year 2020 from ₹ 49,438.90 million for the financial year 2019, primarily due to a decrease in revenue from real estate properties. The revenue from real estate properties is primarily dependent upon the receipt of occupancy certificates for the projects under development and revenues are booked accordingly.

The decrease in revenue from real estate properties in financial year 2020 was also a result of our subsidiary, Indiabulls Intraestate Limited, recording cancellation of multiple units in its projects. These units had been cancelled based on the terms of the agreement entered between the parties on account of non-execution and registration of the agreements for sale, non-payment of registration charges, stamp duty maintenance deposits and other dues from sale of those units. The refunds arising of these cancellations had been duly paid to the customers/lenders where these units were mortgaged.

The decrease in revenue was partially offset by one-off gains arising from certain divestments in financial year 2020, including the following:

- in financial year 2020, we recognized revenues amounting to ₹ 10,350.0 million arising from the sale of a commercial asset/development in Mumbai to an entity controlled by Blackstone;
- in financial year 2020, we recognized profit amounting to ₹ 7,805.5 million arising from the sale of our stake in certain joint venture companies owning commercial assets in Lower Parel, Mumbai and Udyog Vihar, Gurugram for an aggregate consideration of ₹ 27,170.0 million to entities controlled by Blackstone; and
- in financial year 2020, we recognized net gain amounting to ₹ 2,140.7 million arising from the divestment of our stake in One Indiabulls Park in Chennai to entities controlled by Blackstone by way of a scheme of arrangement.

Other Income:

Other income increased by 84.8% to ₹ 1,698.5 million for the financial year 2020 from ₹ 919.1 million for the financial year 2019, primarily due to an increase in interest income on loans, bank deposit and others which was in turn caused by an increase in deployable cash on account of the divestments made during financial year 2020. A foreign exchange gain also contributed to such increase in other income.

Total Expenses:

Total expenses decreased by 32.0% to ₹ 29,820.6 million for the financial year 2020 from ₹ 43,831.6 million for the financial year 2019, primarily due to decrease in cost incurred during the year, decrease in real estate properties which was partially offset by impairment losses on financial assets.

Cost Incurred During the Year:

The costs incurred during the year decreased by 34.0% to ₹ 13,380.5 million for the financial year 2020 from ₹ 20,262.0 million for the financial year 2019, primarily on account of a decrease in cost of land, developed projects and others, which was in turn caused by an increase in projects nearing completion.

Decrease in real estate properties:

The decrease in real estate properties decreased by 66.3% to ₹ 5,098.8 million for the financial year 2020 from ₹ 15,123.2 million for the financial year 2019, primarily due to an impact on our inventory on account of sale of certain subsidiaries in financial year 2020.

Employee Benefits Expense: Employee benefits expense decreased by 17.8% to ₹ 1,138.2 million for the financial year 2020 from ₹ 1,384.8 million for the financial year 2019 primarily due to a decrease in salaries and wages, which was in turn caused by attrition of project related employees on accounts of an increase in projects nearing completion.

Finance Costs:

Finance costs increased marginally by 3.6% to ₹ 4,811.6 million for the financial year 2020 from ₹ 4,643.2 million for the financial year 2019, primarily due to an increase in interest expense.

Depreciation and Amortization Expenses:

Depreciation, amortization and impairment expenses increased by 76.3% to ₹ 307.6 million for the financial year 2020 from ₹ 174.5 million for the financial year 2019, primarily due an increase in depreciation on right of use assets.

Impairment losses on Financial Assets:

There was an one-off impairment financial loss on financial assets of ₹ 8,395.5 million for the financial year 2020, primarily due to impairment in value of loans (net) and loans written off.

Other Expenses:

Other expenses increased by 89.2% to ₹ 4,244.4 million for the financial year 2020 from ₹ 2,243.9 million for the financial year 2019, primarily on an increase in claims and compensations, legal and professional expenses and donations. The claims and compensations in financial year 2020 was caused by provisioning made for expected outflows on account of certain RERA orders against the Company, the legal and professional expenses relate to professional fees provided for on account of sale of our stake in certain subsidiary companies and joint ventures.

Exceptional Items – Interest on Income Tax:

Exceptional items were ₹ 793.1 million during the financial year 2020 as compared to nil during the financial year 2019, primarily due to interest on income tax we had paid pursuant to a final order (the “**ITSC Order**”) from the Income Tax Settlement Commission (the “**ITSC**”) in the financial year 2020. The ITSC Order was issued in connection with certain tax liabilities from previous financial years which were in dispute with the relevant Indian tax authorities. See note 55 of our Consolidated Financial Statements for financial year 2020 for more information.

Total Tax Expense:

Our total tax expense decreased by 24.4% to ₹ 2,565.7 million for the financial year 2020 from ₹ 3,394.6 million for the financial year 2019. For the financial year 2020, we had a current tax expense of ₹ 503.2 million and a deferred tax expense of ₹ 2,062.3 million. For the financial year 2019, we had a current tax expense of ₹ 41.2 million and a deferred tax expense of ₹ 3,353.3 million. Our effective tax rate (which represents the ratio of total tax expenses to profit before tax during the relevant period, expressed as a percentage) was 55.9% and 40.4% for the financial years 2020 and 2019, respectively. Our decrease in tax expense was partially offset by an one-off tax expense and interest expense pursuant to the ITSC Order.

Net Profit for the Year:

Our net profit for the year decreased by 76.0% to ₹ 1,211.1 million for the financial year 2020 from ₹ 5,043.2 million for the financial year 2019.

Financial Condition, Liquidity and Capital Resources

Cash Flows

The table below summarizes our consolidated cash flows for the financial years 2021, 2020 and 2019:

Particulars	(₹ in million)		
	For the year ended March 31		
	2021	2020	2019

Net cash generated from/ (used in) operating activities	8,534.4	(4,318.9)	(11,593.0)
Net cash flows from / (used in) Investing Activities	9,708.2	27,786.3	17,848.4
Net cash flows from / (used in) Financing Activities	(17,912.7)	(18,903.7)	(16,953.7)
Opening cash and cash equivalent of subsidiaries acquired/(sold) (net)	-	(10,111.1)	(8.3)
Net Increase / (Decrease) in Cash and Cash Equivalents	329.9	(5,547.4)	(10,706.6)

Operating Activities

Net cash generated from operating activities was ₹ 8,534.4 million for the financial year 2021. We had a profit before tax and share of (loss)/profit from joint ventures and after exceptional items of ₹ 751.9 million, which was primarily adjusted for interest expenses of ₹ 2,263.5 million and working capital adjustments such as decrease in inventories of ₹ 9,205.8 million, increase in trade receivables of ₹ 2,200.4 million, decrease in other current and non-current assets of ₹ 1,065.2 million, decrease in other current and non-current financial assets of ₹ 6,049.1 million, decrease in trade payables of ₹ 1,265.1 million, decrease in other current and non-current liabilities of ₹ 3,525.2 million and decrease in other current and non-current liabilities of ₹ 4,139.3 million.

Net cash used in operating activities was ₹ 4,318.9 million for the financial year 2020. We had a profit before tax and share of (loss)/profit from joint ventures and after exceptional items of ₹ 3,792.5 million, which was primarily adjusted for interest expenses of ₹ 4,794.0 million, impairment of inventory of ₹ 1,357.0 million, interest income of ₹ 1,139.0 million, profit on sale of stake in joint ventures with underlying real estate business of ₹ 7,805.5 million, net gain on settlement through merger scheme and fair value impact of assets of ₹ 2,140.7 million and working capital adjustments such as decrease in inventories of ₹ 9,594.0 million, decrease in trade receivables of ₹ 1,895.2 million, increase in current and non-current loans of ₹ 1,253.7 million, decrease in other current and non-current assets ₹ 380.3 million, increase in other current and non-current financial assets of ₹ 1,253.7 million, decrease in trade payables of ₹ 5,679.7 million, increase other current and non-current financial liabilities of ₹ 2,068.5 million and decrease in other current liabilities of ₹ 9,262.3 million.

Net cash used in operating activities was ₹ 11,593.0 million for the financial year 2019. We had a profit before tax and share of (loss)/profit from joint ventures and after exceptional items of ₹ 8,397.8 million, which was primarily adjusted for interest expenses of ₹ 4,596.7 million, impairment of inventory of ₹ 7,238.0 million, profit on loss of control in subsidiaries and gain on fair valuation of remaining stake of ₹ 1,339.0 million, gain on amortized cost financial assets of ₹ 1,871.3 million and working capital adjustments such as decrease in inventories of ₹ 8,518.7 million, increase of trade receivables of ₹ 2,576.1 million, decrease in current and non-current loans of ₹ 1,296.8 million, increase in other current and non-current assets of ₹ 1,135.7 million, increase in other current and non-current assets of ₹ 1,624.9 million, increase in trade payables of ₹ 3,602.6 million, increase in other current and non-current financial liabilities of ₹ 3,320.1 million and decrease in other current liabilities of ₹ 38,744.3 million.

Investing Activities

Net cash generated from investing activities was ₹ 9,708.2 million for the financial year 2021, which primarily related to movement (inflow) in fixed deposits (net) of ₹ 2,432.2 million, inter-corporate loans received back of ₹ 6,216.3 million and interest received of ₹ 1,035.8 million.

Net cash generated from investing activities was ₹ 27,786.3 million for the financial year 2020, which primarily related to movement (outflow) in fixed deposits (net) of ₹ 1,111.8 million, proceeds from sale of non-current investments of ₹ 31,785.0 million and inter-corporate loans given of ₹ 3,287.7 million.

Net cash generated from investing activities was ₹ 17,848.4 million for the financial year 2019, which primarily related to purchase of property, plant and equipment of ₹ 1,253.5 million, redemption from proceeds of investments – preference shares of ₹ 2,517.7 million, proceed from sale of non-current investment of ₹ 6,464.7 million, proceed from sale of current investment of ₹ 13,942.6 million and intercompany loans given of ₹ 4,516.7 million.

Financing Activities

Net cash used in financing activities was ₹ 17,912.7 million for the financial year 2021. This primarily resulted from repayment of borrowings from banks of ₹ 12,105.8 million, redemption of debentures of ₹ 9,820.9 million, proceeds of borrowings from others of ₹ 42,050.0 million, repayment of borrowing from others of ₹ 35,590.0 million and interest and other borrowing costs paid of ₹ 2,806.8 million.

Net cash used in financing activities was ₹ 18,903.7 million for the financial year 2020. This primarily resulted from proceeds from borrowing from banks of ₹ 4,349.8 million, repayment of borrowing from banks of ₹ 3,794.2 million, proceeds from issuance of debentures of ₹ 3,500.0 million, redemption of debentures of ₹ 7,679.1 million, proceeds from issuance of

commercial paper of ₹ 10,150.0 million, repayment of commercial paper of ₹ 20,300.0 million and interest and other borrowing costs paid of ₹ 5,140.1 million.

Net cash used in financing activities was ₹ 16,953.7 million for the financial year 2019. This primarily resulted from buyback from equity shares of ₹ 4,476.6 million, proceeds from issuance of preference of preference shares of ₹ 4,500.0 million, proceeds from borrowings from banks of ₹ 37,715.5 million, repayment of borrowings to banks of ₹ 37,822.3, proceeds from issuance of debenture of ₹ 4,973.2 million, redemption of debentures of ₹ 16,250.0 million, proceeds from issue of commercial paper of ₹ 42,300.0 million, repayment of commercial paper of ₹ 41,400.0 and interest and other borrowing costs paid of ₹ 6,600.4 million.

Opening cash and cash equivalent of subsidiaries acquired/(sold) (net)

Opening cash and cash equivalent of subsidiaries acquired/(sold) (net) was nil in financial year 2021, ₹ (10,111.1) million in financial year 2020 and ₹ (8.3) million, primarily due to our disposal activities in these respective financial years.

Indebtedness

As of December 31, 2021 and March 31, 2021, our consolidated indebtedness is as set out below:

(₹ in million)		
Particulars	As of December 31, 2021	As of March 31, 2021
Current Borrowings	10,905.2	8,444.5
Non-Current Borrowings	1,963.8	3,780.6
Total	12,869.0	12,225.1

The maturity profile of our financial liabilities as of March 31, 2021 is as follows:

(₹ in million)					
Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
Borrowings (including interest accrued)	8,620.1	3,780.6	-	-	12,400.7
Lease Liabilities	7.0	-	-	-	7.0
Trade Payables	3,006.3	-	-	-	3,006.3
Security Deposits	7.8	-	-	-	7.8
Other financial liabilities	4,329.3	-	-	-	4,329.3
Total	15,970.6	3,780.6	-	-	19,751.2

As of December 31, 2021, we and our subsidiaries have not breached any provisions of our respective financing agreements, including representations, warranties and covenants (financial or otherwise).

Contingent Liabilities

As of March 31, 2021, our contingent liabilities, on a consolidated basis, are as set out in the table below:

(₹ in million)	
Particulars	Amount
Corporate guarantees issued on behalf of other entities	2.6
Income tax demand (pending in appeals)	1,271.9
Income tax demand (pending for others)	55.9
Indirect tax cases demand	437.7
Total	1,768.1

As of December 31, 2021, we do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Commitments

There was no significant amount of contract remaining to be executed on capital account and not provided for as of March 31, 2021.

Capital Expenditures

Our capital expenditures were ₹ 0.8 million, ₹ 6.8 million and ₹ 50.1 million for the financial years 2021, 2020 and 2019, respectively. These capital expenditures primarily relate to acquisition of computers and office equipment, etc. There is no projected or budgeted capital expenditure for financial year 2022.

Quantitative and Qualitative Disclosures about Market Risks

Our activities expose us to market risk, liquidity risk and credit risk. We have measures in place to mitigate these risks. There have been no substantive changes in our exposure to financial instrument risks, our objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated therein.

Credit risks

Credit risk is the risk that a counterparty fails to discharge its contractual obligation to us. Our exposure to credit risk is influenced mainly by financial assets measured at amortized cost, trade receivables and cash and cash equivalents. We continuously monitor defaults of customers and other counterparties and incorporate such information into our credit risk controls.

We assess and manage credit risk of financial assets based on low, moderate and high credit risk categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

In respect of trade receivables, we recognize a provision for lifetime expected credit loss. Trade receivables comprise of real estate business receivables and rental business receivables. Given the nature of business operations, we do not except any credit loss on our real estate business receivables because transfer of legal title of properties sold is generally passed on to the customer after we receive the entire consideration. Therefore, real estate receivables have been considered as low credit risk assets. In addition, the receivables from rental business has low credit risk because we hold security deposits against the premises given on rentals. For the years ended March 31, 2019, 2020 and 2021, we did not record any material write offs of real estate receivables or rental receivables.

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. We consider credit risk to be low because we deal with highly rated banks and financial institutions. Loans and other financial assets measured at amortized cost includes long-term bank deposits, security deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time we have an internal control system in place ensure the amounts are within defined limits. We consider credit risk to be low because we are in possession of the underlying asset. Further, we create provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due. We monitor rolling forecasts of our liquidity position and cash and cash equivalents on the basis of expected cash flows. We take into account the liquidity of the market in which we operate.

Market Risks

Market risk comprises of three types of risks; interest rate risk, foreign exchange risk and other price risks.

Interest rate risk

We currently have borrowings which are fixed rate and variable rate borrowings. Our fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. However, we also have exposure to variable rate borrowings which are subject to fluctuations in interest rate.

Foreign exchange risk

We have international transactions and therefore, we are exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not our functional currency. We do not hedge our foreign exchange receivables/payables.

Price risk

Our exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, we aim to diversify its portfolio of assets.

Related Party Transactions

We have in the past engaged, and in the future may engage, in transactions with related parties, including with our affiliates. Such transactions could be for, among other things, joint ventures, managerial remuneration, share based payment, long term employment benefits (leave encashment), post-employment benefits – gratuity and loans with key management personnel, construction contracts and corporate guarantees. During the nine months ended December 31, 2021 and the financial years 2021, 2020 and 2019, we have not entered into any materially significant related party transaction with our promoters, key managerial personnel or other designated persons which may have potential conflict with our interest at large.

For further details of our related party transactions in accordance with the requirements under Ind AS 24 issued by the ICAI, see “*Related Party Transactions*” on page 39.

Total turnover in each major industry segment

We operate in a single segment (i.e., real estate properties) for which our financial statements prepared in accordance with Ind AS.

Significant developments after December 31, 2021 that may affect our future results of operations

Except as disclosed in this Placement Document, to our knowledge no circumstances have arisen since December 31, 2021, that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

INDUSTRY OVERVIEW

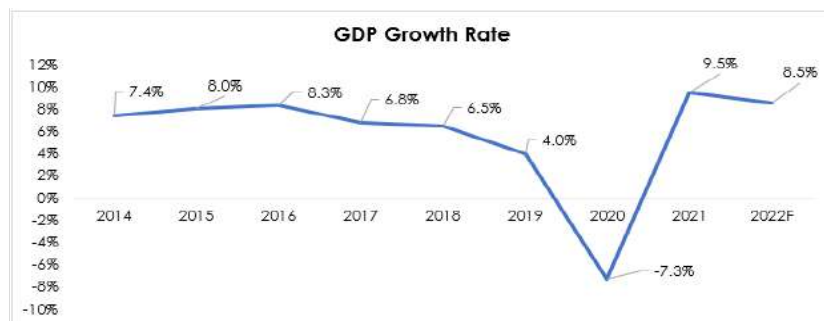
The information contained in this section is taken from the report titled “Real Estate Industry Report”, dated April 4, 2022 prepared by Anarock Property Consultants Private Limited (“Anarock”) and commissioned and paid for by our Company from Anarock. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Overview of the Indian Economy

GDP Growth

India has been one of the fastest growing economies in the world over the last few years. India’s gross domestic product (“GDP”) grew by 8.3% in 2016, 6.8% in 2017, 6.5% in 2018 and 4% in 2019. In the first quarter of 2021, the International Monetary Fund (“IMF”) estimated a dip of 10.3% in the real GDP growth rate of India in 2020. However, the real GDP contracted to -7.3% showing an improvement of 3% from the estimates of IMF. 2021 has been With continuous quarter-on-quarter growth and COVID-19 related vaccination going in the country, the Indian economy has shown a sharp rise in the real GDP growth in 2021 at 9.5%, as per the IMF. Further, the GDP is estimated to achieve a real GDP of 8.5% in 2022.

The following graph sets forth Real GDP growth rate of India from 2014 to 2022 (forecasted):



Source: IMF

Note: All the figures in the above graph are as per Calendar Year (CY)

After the outbreak of the COVID-19 pandemic in India since March 2020, the future of the pandemic remains uncertain making it difficult for businesses to plan their way forward. However, improvement in key economic indicators, such as the Goods and Services Tax (“GST”) collections and electricity demand, published by the RBI in December 2020 indicated a positive outlook in the coming quarters, which helped to strengthen the economy further. In response to the COVID-19 pandemic after the 1st and 2nd wave, the Government has taken several initiatives, including financial packages, tax reliefs and relaxation in interest payments, to drive recovery of the Indian economy. India has been one of the fastest growing economies of the world over the last few years and is now among the top ten economies of the world. Despite the slowdown in 2020, the Indian economy bounced back in 2021 with a growth rate of 9.5% and regain its position as one of the fastest growing emerging economies in 2021.

Penetration of Housing and Home Ownership

As per the Census figures and Ministry of Housing and Urban Affairs, number of households have increased from 191.96 million in 2001 to 246.69 million in 2011 which shows a 28% increase in number of households. Out of these households, home ownership i.e., owned houses increased from 166.35 million in 2001 to 213.53 million in 2011.

Employment Rate Recovering to Pre-COVID Levels

According to the CMIE data, employment has gone up recently as businesses and offices started opening up.

Relative to pre-COVID levels, RBI has highlighted that several key economic indicators are pointing to the easing up of contractions in various sectors of the economy and the emergence of signs of growth. RBI has announced measures towards reviving the economy to:

- (i) Enhance liquidity support for financial markets
- (ii) Regulatory support to improve the flow of credit to specific sectors
- (iii) Provide boost to exports; and
- (iv) Deepen financial inclusion.

These measures are expected to bring economic recovery faster and further improve the employment rate.

Urbanization and Urban Housing Shortage

It is a globally established fact that demographic shifts fundamentally affect the demand for real estate. India's large population base of over 1.37 bn provides a huge domestic demand base which attracts businesses from across the world to setup their operations here. Along with rising population, India's urbanization rate is also increasing at a fast pace. As per UNDP projections, by 2046 approx. 50% of population in India will be urban. However, rapid urbanization is expected to drive the demand for housing, offices and other real estate asset classes in the medium – long term. UNDP has projected that there will be 8 cities with a population of 10 million & above by the year 2035 in India, highlighting the unmet housing demand.

The Ministry of Housing & Urban Poverty Alleviation estimated a housing shortage of 18.78 mn. houses during the 12th period plan with 99% in the economically weaker section (EWS) and lower income group (LIG).

Demographic Dividend

As per a report by UNFPA, in 2011 India had 61% of its population in the age group of 15-59 years which is increasing and will peak around 2036 when it will reach approx. 65%. With increase in young population, the dependency ratio has also been declining and India has entered in the period of demographic dividend. Percentage of Urban population and age distribution profile are one of the key demand drivers for real estate in a country. India along with an increasing urban population is relatively a younger nation as compared to developed economies of the world and is likely to retain its position for future as well. This indicates that India with one of the largest workforces will be a huge market for both residential as well as other asset classes.

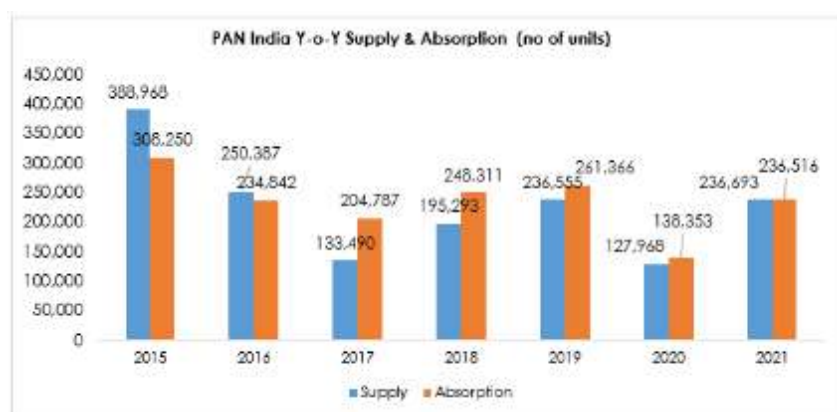
Nuclearization of Families

India has been witnessing a reduction in overall household size in the past few decades. The trend is likely to continue further. This is primarily because of increase in the nuclearization of the families. With the change in family dynamics towards a nuclear set-up more households are getting added and hence consumption increasing, which in turn fuels the demand for housing.

Overview of India Residential Market

India Residential Real Estate Trends 2015 To 2021

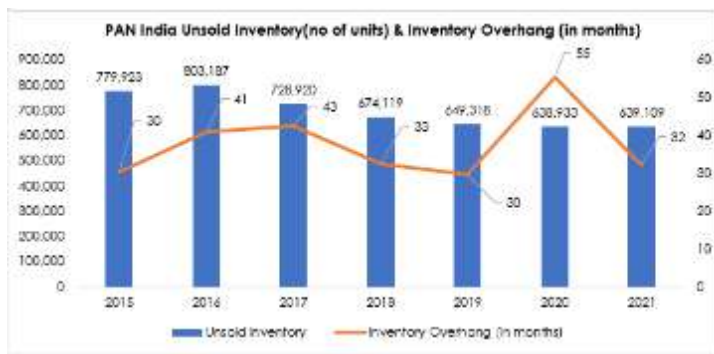
The following graph sets forth supply and absorption trends in the Top Seven Indian Markets from 2015 to 2021 (in units):



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following graph sets forth unsold inventory and inventory overhang (in months) trends in the Top Seven Indian Markets from 2015 to 2021:



Source: Anarock Research

Notes:

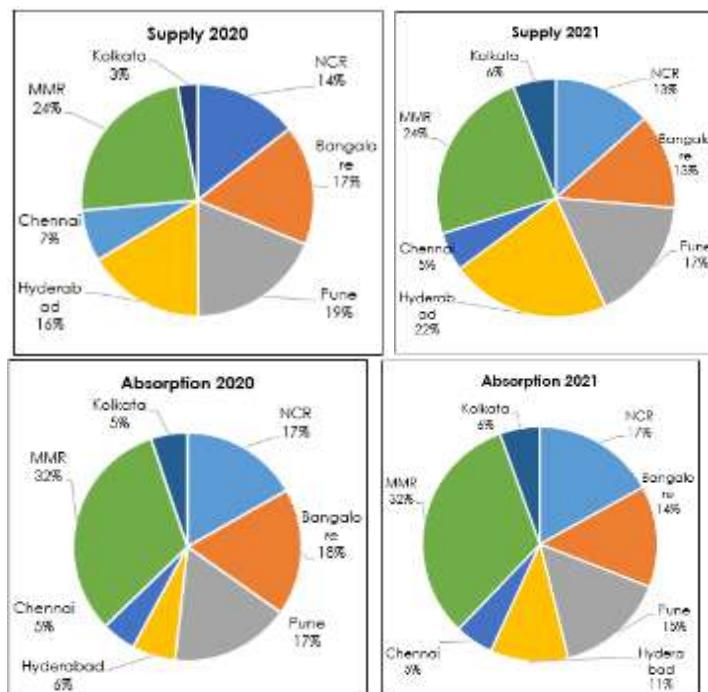
- (1) All the figures in the above graph are as per Calendar Year (CY).
- (2) Unsold inventory is the net unsold inventory and does not include stalled projects.
- (3) Units absorbed includes primary transactions only i.e. excluding resale transactions.

In the last five to six years, the real estate sector in India has witnessed several changes because of demonetization, the liquidity crisis and the implementation of RERA and GST. Despite the spiraling COVID-19 pressure across the country, the Indian residential sector made a significant comeback in 2021 with absorption rebounding to 171% as compared to 2020. The Mumbai Metropolitan Region (“MMR”), Pune, Bengaluru, Hyderabad, the National Capital Region (“NCR”), Chennai and Kolkata (“Top Seven Indian Markets”) recorded absorption of approximately 2.36 lakh units in 2021. New launches have jumped by 185% - from 127,800 units in 2020 to nearly 237,000 units in 2021. The unsold inventory across the top 7 cities in India has remained stable on a yearly basis (638,194 units) as compared to unsold inventory in 2020 (638,018 units).

Supply and Absorption in the Top Seven Indian Markets in 2020 and 2021

With a share of 24% of total supply (56,883 units) and 32% of total absorption (76,396 units) in the Top Seven Indian Markets, the MMR was the top performer in overall residential activity in 2021.

The following graph sets forth supply (by units) and absorption (by units) in the Top Seven Indian Markets in 2020 and 2021:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Capital Pricing Trends in Top Seven Indian Markets – 2015 to 2021

The capital prices remained within the range in all the markets during 2021. Developers launching new projects seemed to adhere to the prevailing prices.

From 2015 to 2021, the average base selling price in the MMR has been approximately ₹10,527 per square feet. Hyderabad reflected the lowest average base selling price of ₹4,099 per square feet among the Top Seven Indian Markets in the same period.

The following graph sets forth average base selling price trend across the Top Seven Indian Markets (₹ per square feet):



Source: Anarock Research

Notes:

- (1) All the figures in the above graph are as per Calendar Year (CY)
- (2) The above-mentioned prices are with respect to saleable area.

Overview of India Office Market

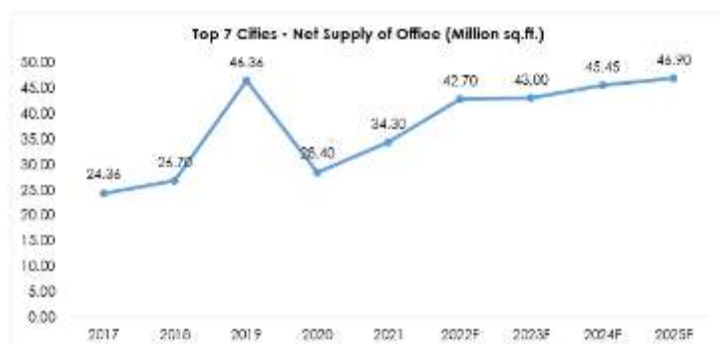
India Residential Real Estate Trends 2015 To 2021

The office real estate market in India has witnessed significant growth over the past few years, until the COVID-19 pandemic hit the overall business in 2020. In 2020, net absorption and net supply in the Top Seven Indian Markets was approximately 40 million square feet and 46 million square feet, respectively. While during the first half of 2020, occupiers were cautious in making any lease commitments with respect to their future office space plans, the second half of 2020 witnessed increased activity with the gradual opening up of the economy. Absorption declined by approximately 40% to 45% in 2020 from 2019. While the pandemic had led to several trends in office spaces such as technology enabled designs, focus on safety standards, remote working in the short term, the office real estate market in India is expected to bounce back in the long term on account of strong market fundamentals, sustained growth of the IT and IteS sector, emergence of other sectors as office occupiers and increasing organized investment environment. 2021 showed an overall improvement with net absorption and net supply increasing by 34% and 21% over the levels of 2020, thus showing that the office markets in Top 7 cities is witnessing a recovery.

Supply Trend and Forecast in the Top Seven Indian Markets

Overall Supply in the Top Seven Indian Markets saw a reduction from 2019 to 2020 as many office spaces witnessed delays in their completions on account of lockdowns due to COVID-19 pandemic. However, overall supply increased gradually in 2021 and is further expected to increase gradually going forward. Approximately 175 to 180 million square feet of new Grade-A office space is expected to be completed between 2022 and 2025.

The following graph sets forth Supply trend and forecast in the Top Seven Indian Markets (in million sq. ft.):



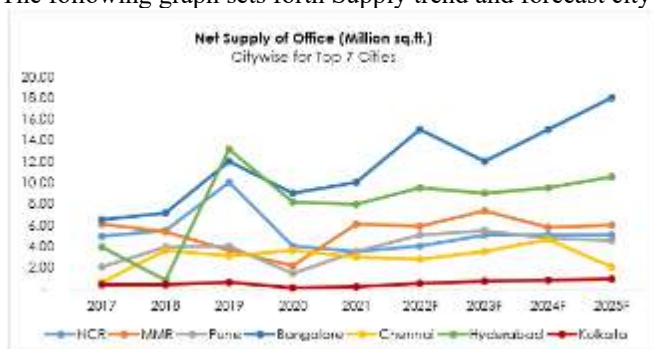
Source: Anarock Research

Notes:

- (1) All the figures in the above graph are as per Calendar Year (CY)

- (2) Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

The following graph sets forth Supply trend and forecast city wise for the Top Seven Indian Markets (in million sq. ft.):



Source: Anarock Research

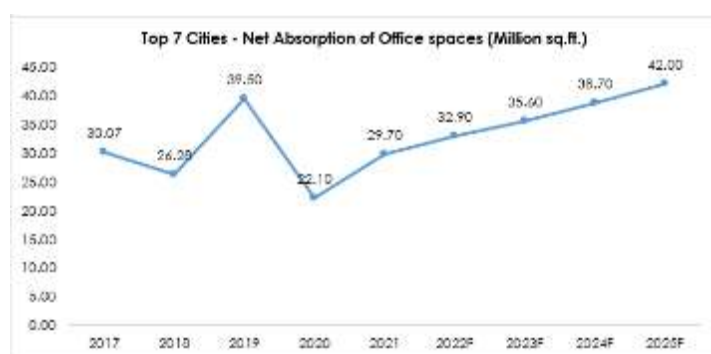
Notes:

- (1) All the figures in the above graph are as per Calendar Year (CY)
 (2) Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

Absorption Trend and Forecast in the Top Seven Indian Markets

Overall absorption in the Top Seven Indian Markets is expected to increase gradually, primarily on account of sustained growth in IT and IteS, manufacturing, healthcare and bio-technology sectors. Approximately 145 to 150 million square feet of new Grade-A office space is expected to be occupied between 2022 and 2025.

The following graph sets forth net absorption trend and forecast in the Top Seven Indian Markets (in million square feet):

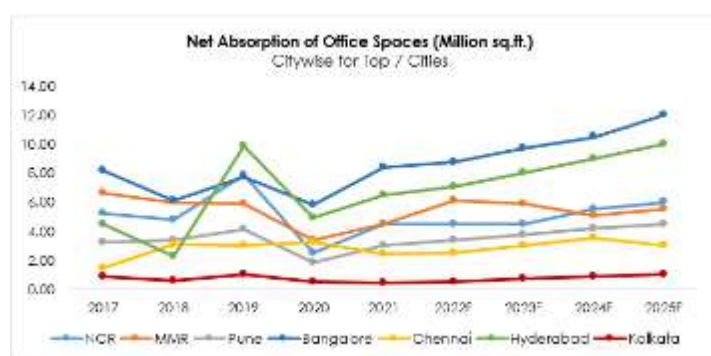


Source: Anarock Research

Notes:

- (1) All the figures in the above graph are as per Calendar Year (CY)
 (2) Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

The following graph sets forth absorption trend and forecast city wise for the Top Seven Indian Markets (in million square feet):



Source: Anarock Research

Notes:

- (1) All the figures in the above graph are as per Calendar Year (CY)
 (2) Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

Vacancy Trend and Forecast in the Top Seven Indian Markets

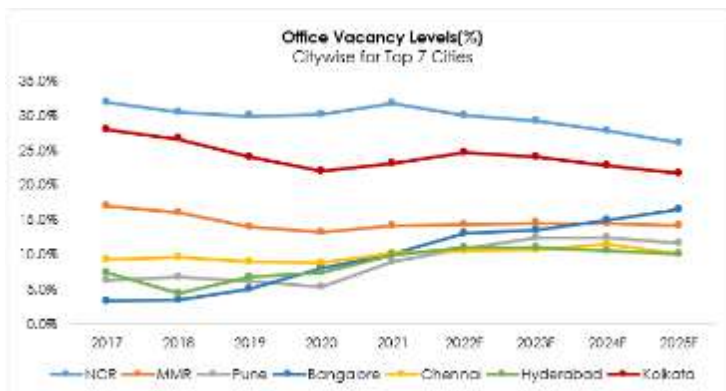
With gradual increase in the overall absorption in the Top Seven Indian Markets, overall vacancy levels are expected to reduce in most of the markets.

The following graph sets forth vacancy trend and forecast in India (Top Seven Indian Markets):



Source: Anarock Research

The following graph sets forth vacancy trend and forecast city wise for the Top Seven Indian Markets:



Source: Anarock Research

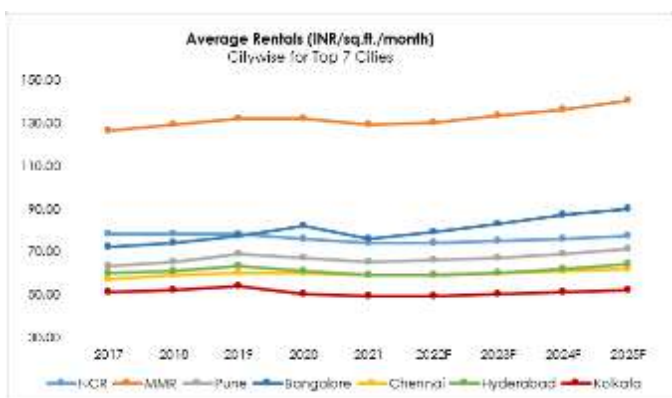
Notes:

- (1) All the figures in the above graph are as per Calendar Year (CY)
- (2) Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.
- (3) All the markets are expected to witness decline in vacancy levels with exception of Bengaluru where vacancy levels are forecasted to increase in 2024 and 2025. The is primarily owing to the strong supply and moderate absorption projected, especially for 2024 and 2025. With our past experience, we understand that the supply would get rationalised once the vacancy levels cross 11%-12%. Hence, we anticipate that vacancy levels for Bengaluru may witness a revision, going forward.

Rental Trend and Forecast in the Top Seven Indian Markets

The average rental trend in the Top Seven Indian Markets has been stable over the last few years, with a dip in 2020 and 2021 in few markets. Going forward, the average rental escalation is expected to remain modest, with the MMR, Pune and Bengaluru likely to perform better than the other markets.

The following graph sets forth average rental trend and forecast city wise for the Top Seven Indian Markets:



Source: Anarock Research

Notes:

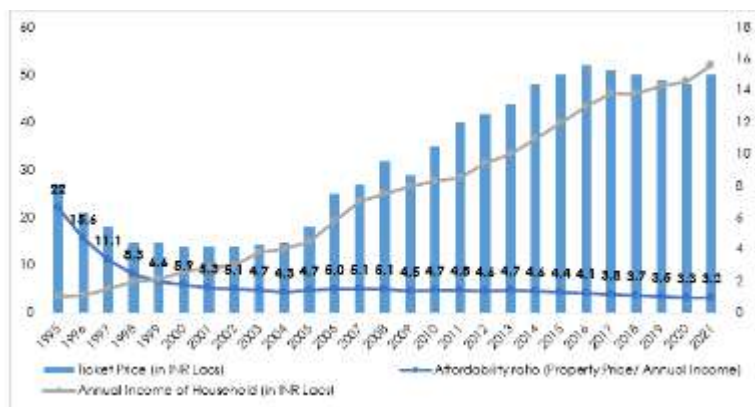
(1) All the figures in the above graph are as per Calendar Year (CY)

(2) Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

Key Reforms and Other Policy Level Initiatives

Changing Affordability Index

As per a report by HDFC, dated 2nd August 2021, government's support at policy level and increase in household income have improved the overall affordability levels to best in last two and a half decades. The increase in household income with almost steady levels of the ticket prices have resulted in increasing the affordability of housing units. The following graph sets forth housing affordability trend:



Source: HDFC Snapshot 2021

Note: All the figures in the above graph are as per Calendar Year (CY)

Home Loan Rates and growth in Home Loan Penetration

In order to infuse liquidity into the market, the RBI reduced the repo rate by 140 basis points from February 2020 to October 2020, which resulted in reduction in the home loan interest rates. Increase in household income coupled with steady ticket prices have resulted in an increase in affordability of residential units.

While the home loan interest rate is falling, the rental yield from residential properties is increasing gradually, with an exception in 2020. Hence, the difference between home loan interest rate and rental yield is at decadal low making home buying more attractive than renting.

The following graph sets forth home loan interest rates versus rental yield from residential properties:

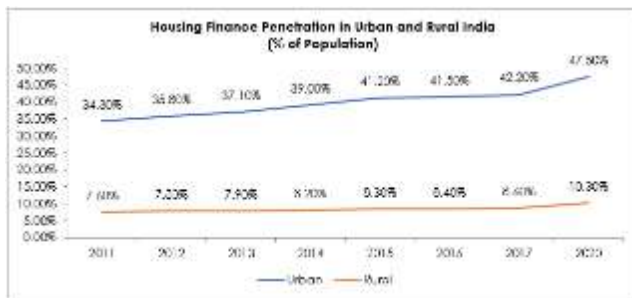


Source: Information published by various Nationalised Banks

Note: All the figures in the above graph are as per Financial Year (FY)

The net cost of home ownership over rental yield, adjusted for tax incentives on home loans, has reduced to less than 2% for some buyers, which is amongst the lowest in the last two decades. With reduction in home loan rates coupled with other policy level interventions by the Government, real estate has emerged as one of the favoured investment options in the country.

The following graph shows the housing finance penetration in India from 2011 – 2020:



Source: RBI

Note: All the figures in the above graph are as per Calendar Year (CY)

There is a difference in the penetration of housing finance between urban and rural areas. While the finance penetration in rural areas has lagged in past, it is catching up. The trend above suggests that rural areas could have a relatively greater share of future growth in housing finance with urban areas almost reaching 50% of the total population and rural areas crossing 10%.

Government & RBI Initiatives for Residential Real Estate

The Central as well as State Governments along with RBI have been instrumental and supportive to ensure that the real estate sector emerges stronger post the COVID-19 pandemic.

Following are some of the key actions taken by the Government bodies:

Repo Rate Cut by 140 bps in 2020

In order to infuse liquidity into the market, the RBI reduced the repo rate by 140 basis points from February 2020 to October 2020, which resulted in reduction in the home loan interest rates. Increase in household income coupled with steady ticket prices have resulted in an increase in affordability of residential units.

Banks permitted to restructure loans of real estate companies at the project level

In August 2020, RBI further allowed a one-time restructuring of corporate and personal loans (including home loans). This allowed real estate developers including suppliers of raw materials to rest their debt and provide a fresh lease of life to service their debt prudently.

Specific window provided to push back repayment

Developers were provided an additional year to repay lenders which is over and above one year already available, so this will help in the management of cash flows and reduce asset classification stress of Real Estate focused NBFCs. Further, a window of INR 50,000 crore under Targeted Long Term Repo Operations (TLTRO) was meant to provide incremental liquidity to NBFCs, MFIs which could be utilised for onward lending to the real estate sector.

INR 10,000 crore allotted to National Housing Bank

In August 2020, the central bank decided to allot INR 10,000 crore to National Housing Bank, which was meant to be a big relief for the real estate sector reeling under a liquidity crisis. It was meant to provide capital to housing finance companies and eventually provide major relief to developers battling liquidity issues in COVID-19 times.

GST

GST came into force with effect from July 1, 2017, to remove multiple taxations and seeks to transform India with its one nation, one market and one tax principle. In the real estate sector, ready-to-move-in properties and land are exempt from GST. Initially, for under-construction properties, GST was charged at 8% for affordable housing projects (under 60 square meters in non-metro cities and 30 square meters in metro cities) and 12% for other under-construction housing projects with a provision to receive an input tax credit ("ITC"). Post April 1, 2019, buyers of under-construction affordable housing projects (priced up to ₹ 4.5 million both in metro as well as non-metro cities) are charged GST at 1% and 5% for other under-construction housing projects, without the ITC benefit. Alternatively, for under-construction housing projects, where both construction and actual booking have started before April 1, 2019 and which have not been completed by March 31, 2019, GST may be charged at the old rates with the provision to receive the ITC benefit. The reduction in GST rates is likely to boost absorption in the affordable housing category.

Real Estate (Regulation and Development) Act, 2016

Real Estate (Regulation and Development) Act, 2016 (“**RERA**”) came into force with effect from May 2016. RERA was aimed to improve transparency, financial discipline and accountability in the real estate sector in order to increase buyers’ confidence and prevent developers from wilful misuse of funds that led to delay in project execution.

Some of the key features of RERA include:

- (i) registration of projects post receipt of all requisite clearances;
- (ii) advertisement of projects by developers post RERA registration;
- (iii) opening of an escrow account for a project to avoid diversion of funds;
- (iv) providing timeline for project completion; and
- (v) consent requirement of 2/3rd of the allottees to modify the layout.

Benami Transactions (Prohibition) Amended Act, 2016

The objective of the Benami Transactions (Prohibition) Amended Act 2016 (“Benami Act”) was to curb the use of unaccounted cash transactions associated with properties and bring transparency in the real estate sector. While the Benami Act is still in nascent stage of implementation to estimate the impact on the overall real estate sector, it is likely to improve transparency and increase institutional investments in future.

Demonetization

The Government of India banned all ₹ 500 and ₹ 1000 currency notes in November 2016, to curb black money and check the circulation of fake currency. In the long term, this reform along with RERA has helped in organizing the real estate sector, resulting in more institutional inflows in the sector.

No access to capital for tier-2 unbranded developers

Since 2012, non-banking financing companies (“NBFCs”) have been the largest lenders for the real estate projects. Indiscriminate lending by NBFCs to tier-2 unbranded developers led to a significant increase in the supply of under-construction projects. Due to lack of experience in executing and completing the projects, tier-2 unbranded developers delayed their projects significantly, which resulted in loss of customer confidence. Further, in order to compete with tier-1 branded developers, tier-2 unbranded developers often resorted to price-cuts, which further eroded their profitability. However, they were able to continue with this business model due to ample liquidity present in the system prior to 2018. While project delays jeopardised cash flows for these projects, NBFCs continued to refinance and provide incremental capital for project completions. In September 2018, the Infrastructure Leasing and Financial Services (“IL&FS”) crisis caused a severe liquidity crunch. Thereafter, NBFCs significantly reduced real estate funding during the under-construction phase, which led to low sales and poor cash flow management for the developers, especially smaller developers with limited access to bank loans. Since tier-1 branded developers were able to sell substantially at the time of launch and throughout the under-construction phase, limited financing was required for the completion of under-construction projects. Most of the tier-1 branded developers also had access to bank loans, and were able to complete under-construction projects on time.

The dramatic fall in incremental credit from banks and NBFCs to developers resulted in most of the tier-2 unbranded developers being unable to continue existing projects as well as launch new projects. Such tier-2 unbranded developers along with the financial institutions who supported them are now looking at tier-1 branded developers to rescue those projects by taking over existing projects or establishing tie-ups for their new land parcels.

JDA (Joint Development Arrangement) model once again picking up

Post IL&FS crisis and COVID-19 led lockdowns, several of the landowners and unorganized developers have come under stress. Lenders associated with these entities along with the landowners are often approaching the tier-1 branded players to tie-up JDA deals. Given the state of the industry, deals which are now being signed are win-win for both the parties. Typical JDAs which are being signed up have the following characteristics from the lens of tier-1 branded players:

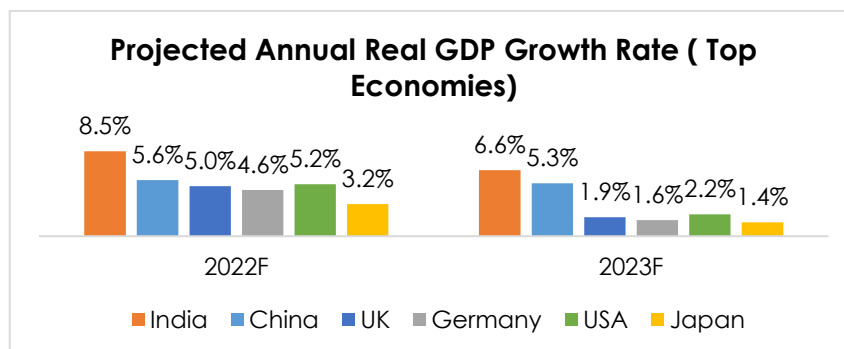
- (i) Upfront investment: Typical JDAs require the tier-1 branded developers to deploy capital equivalent to 5%-6% of the GDV (Gross Development Value) in markets like MMR & Pune. This is often in the form of refundable deposits.
- (ii) Profit margin: A branded player with a good execution track record can generally achieve 18-20% PBT margin on such projects. Typically, if the sales planning is good and execution is as per the plan then there is a potential to generate upwards of 50% ROEs from such projects as the upfront investment requirement is low.

Impact of COVID-19 On Housing And Workplace Demand

Policies and Impact of COVID-19

After the outbreak of the COVID-19 pandemic in India since March 2020, the future of the pandemic remains uncertain making it difficult for businesses to plan their way forward. However, improvement in key economic indicators, such as the Goods and Services Tax (“GST”) collections and electricity demand, published by the RBI in December 2020 indicated a positive outlook in the coming quarters, which helped to strengthen the economy further. In response to the COVID-19 pandemic after the 1st and 2nd wave, the Government has taken several initiatives, including financial packages, tax reliefs and relaxation in interest payments, to drive recovery of the Indian economy. India has been one of the fastest growing economies of the world over the last few years and is now among the top ten economies of the world. Despite the slowdown in 2020, the Indian economy bounced back in 2021 with a growth rate of 9.5% and regain its position as one of the fastest growing emerging economies in 2021.

The following graph sets forth projected annual real GDP growth rate of the top world economies:



Source: IMF

Note: All the figures in the above graph are as per Calendar Year (CY)

Key trends relating to COVID-19

Signs of revival in the backdrop of economic recovery and demand

Like other sectors, Q4 2020 witnessed signs of revival in the real estate sector with key asset classes including residential, warehousing and office spaces showing signs of recovery. The residential segment was quick to pick momentum in the last two quarters of 2020 in the backdrop of growing homeownership sentiment, which was accentuated by the exigencies of the COVID-19 pandemic. This pent-up demand was further accelerated by ongoing discounts and offers, low home loan interest rates, and limited period of stamp duty cuts in states such as Maharashtra.

Demand re-configuration

With respect to office spaces, social distancing and hygiene norms are expected to increase per capita office allocations even though a segment of employees continue to work from home. During the last decade, per capita office space allocation has reduced from 100 to 125 square feet to 75 to 100 square feet in January 2020.

Additionally, there is an increase in demand for township projects in the residential sector. COVID-19 has made bigger & better homes a key priority for many families. Since work from home has become a new normal for certain industries, homebuyers are preferring spacious and flexible homes in a self-sustained environment at affordable prices in peripheral areas of the tier-1 cities and at developed locations in tier-2 cities.

Preference towards large, branded players with a proven track record

The COVID-19 pandemic has changed buyer preferences towards risk free investments. Developers with the ability to complete projects on time and with the least execution risk are preferred even if the property is relatively high priced. On account of the liquidity crunch being faced by smaller developers as well as a shift in buyers' preference towards large, branded developers, consolidation is likely to take place further in the real estate sector. Financially strong and organised players are expected to have a majority of the market share in the coming years.

Housing Demand Impact

Apart from the structural longer term drivers, housing demand is likely at the cusp of a cyclical inflection point which could potentially see a sustained volume as well pricing growth in the near to medium term. This is on account of:

- Sentiment changes due to forced lockdown and continued WFH and online schooling, people are now eyeing larger homes or functional and flexible homes that can accommodate working spaces.
- Increase in affordability as the ratio of the home loan payment to income has been reducing over the years.
- Reduction in home loan rates which further increases the buying capacity of the end users,

- Narrowing of gap of rental yield to home loan rates will further increase the preference of purchasing home over renting it.
- Lack of safe fixed income savings avenues as Fixed Deposit rates have fallen significantly.

Office Real Estate Market Impact

During the initial months of the COVID-19 pandemic 1st Wave (i.e. April and May 2020), occupiers were adapting to the work-from-home culture. During the period from July to August, select financial institutions and manufacturing occupiers reconsidered working from office for better employee output. While work-from-home has certain positives such as saving travel time, occupiers have experienced some negatives as well such as connectivity issues. Accordingly, Anarock expects work-from-home and work-from-office to co-exist.

Grade-A developers have witnessed high rent recovery rates post Q3 2020. Although the work-from-home culture tends to consolidate demand for office space, the COVID-19 pandemic has resulted in demand for larger office space per employee.

Commercial buildings are required to comply with strict health and safety guidelines, which is expected to result in a shift towards more tech-enabled buildings to counter any safety and security issues in future. Grade-A developers are in a better position to comply with such strict health and safety guidelines.

For a large metropolitan city such as Mumbai, decentralization of work-centres is inevitable. The COVID-19 pandemic has further accentuated this requirement. New townships in the suburban areas of large cities have seen eventual development of office spaces within such townships. Hiranandani Gardens in Mumbai, Lodha Palava in the MMR, Magarpatta City in Pune, Mahindra World City in Chennai and New Town in Kolkata are few such examples.

Recently, office occupiers in the MMR have been exploring to set-up offices in proximity to the residential hotspots.

The occupiers are benefitting on three fronts:

- Rents in the suburban micro-markets are low as compared to central and secondary business districts
- Large developers have quality developments with modern amenities
- Employees can increase productivity by saving travel time.

Key Emerging Trends In The Indian Residential Real Estate Market

Homebuyers now prefer to buy units in projects launched by branded developers since such developers focus on delivering quality units within committed timelines, thereby improving buyer's confidence.

Branded developers command premium in terms of pricing and sales

Branded developers typically command a premium in the range of 10% to 20% over micro-market average capital price, on account of better amenities, quality and brand trust among the buyers. The following chart provides select examples of the micro-markets where branded developers are present along with the tier-2 developers and have been operating in a higher price band as compared to the micro-market average:

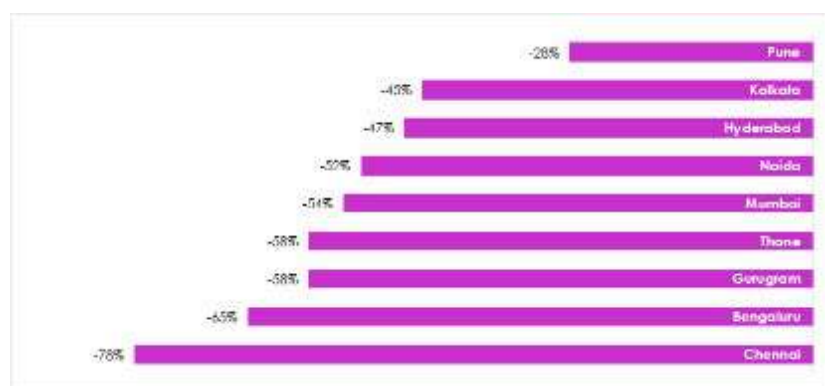


Source: Anarock Research

Consolidation of Developers

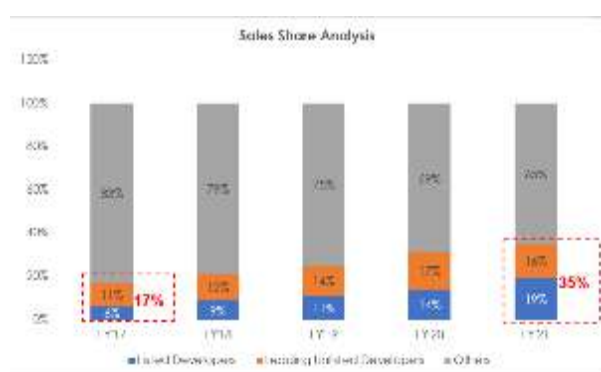
The Indian real estate sector has witnessed consolidation in the past few years. With the implementation of RERA, the financially weak developers were not able to adhere to compliance norms and were, therefore, either going out of business or consolidating with larger players. The liquidity crisis further worsened the situation for such developers, which resulted in an increase in share of new launches by branded developers. According to Anarock, the share of new launches by tier-1 developers increased from approximately 41% in 2015 to approximately 56% in 2018, which further increased in 2019 on account of the liquidity crisis.

The following graph sets forth percentage decline in the number of developers in select Indian cities between 2012 and 2019:



According to Anarock, the consolidation of developers is likely to continue post the COVID-19 pandemic, with many weak players ceasing to exist as the country emerges from this pandemic.

Post structural changes, consolidation is on a rise and the share of organized and branded players is rising.



Source: Companies, ANAROCK Research
Note: Sales share based on no. of units sold

Branded tier-1 developers are witnessing strong double-digit growth. It is likely that in the near to medium term consolidation will further accelerate and listed players will see disproportionate growth vis. a vis. the industry.

JDA/JV deals and other land transactions done in recent times in Top 7 Cities of India

In 2021, Sunteck Realty has secured a 7-acre sea-facing land parcel in Mumbai's western suburb of Borivali by entering into a joint venture to develop the plot into a luxury residential project with a development potential of 1 million sq. ft.

In 2021, Sunteck Realty has entered into an agreement to jointly develop a prime 50-acre land parcel at Kalyan near Mumbai. The company plans to develop an integrated residential township on the plot that has a total development potential of 10 million sq ft.

Real estate developer Lodha Group has entered into an agreement with Pune-based developer Goel Ganga Developments to jointly develop a 1.5 million sq ft. residential project on a 12-acre land parcel on NIBM Road in southern Pune. Sunteck Realty has acquired a 110-acre river front land parcel at Pen-Khopoli Road near Mumbai through the asset-light strategy of joint development agreement. With this, the company is planning to foray into plotted and bungalow developments.

Godrej Properties has entered into a joint venture (JV) with TDI group to build a luxury housing project at Connaught Place in Central Delhi. In a regulatory filing, Godrej Properties informed that the project would have a development potential of about 1.25 lakh square feet saleable area.

Demand for Large and Functional Homes

With continued work from home and online schooling, people now prefer larger homes even if they need to move to the peripheries to meet their budgetary requirements. There is high demand for 2.5 BHK and 3.5 BHK configurations so that the extra space can be converted into a makeshift workspace. Changing consumer preferences have forced developers to introduce

new home layouts. There is a requirement for functional and flexible homes that can accommodate working areas as work from home is the temporary new normal.

Luxury Projects Garnering Interest Among Buyers

Buyers of luxury projects have not been impacted much by the COVID-19 pandemic. With ample time in hand to identify and shortlist the house of their choice coupled with good deals being offered by developers, luxury projects are garnering interest among the buyers.

Demand for Ready-To-Move-In Units

Ready-to-move-in property continues to be the most preferred (32% respondents) among the prospective buyers based on a survey report published in July 2021. Interestingly, in this survey result published during July 2021, it was observed that properties which would be ready within 6 months are the 2nd most preferred choice among more than 24% property seekers. Meanwhile, 21% property seekers are now willing to purchase newly launched properties. This is 4% higher than the pre-COVID-19 period survey conducted in July 2020.

Demand For Homes For Self-Use On The Rise

Nearly 71% property seekers are looking to buy a home for self-use amid the second wave based on the survey report published in July 2021 while remaining 29% are looking for investment purpose. In comparison, during the COVID-19 first wave period survey report published in July 2020, the share of investors was higher at 41%. The urge to live in alternate residence (home away from home) amid greener and open spaces during the pandemic infused lockdowns could be another possible reason for the change

Homebuyers eye city peripheries & suburban areas

Post COVID-19, the 'walk-to-work' concept has shed much of its popularity. Work from-home has become the next fulcrum for home buying decisions. Resultantly, as per the survey report conducted in July 2021, whopping 68% respondents are looking to shift to the peripheral or the suburban areas for bigger homes and a better lifestyle - at more affordable prices. Just 24% are now looking to live within city limits – in proximity to office.

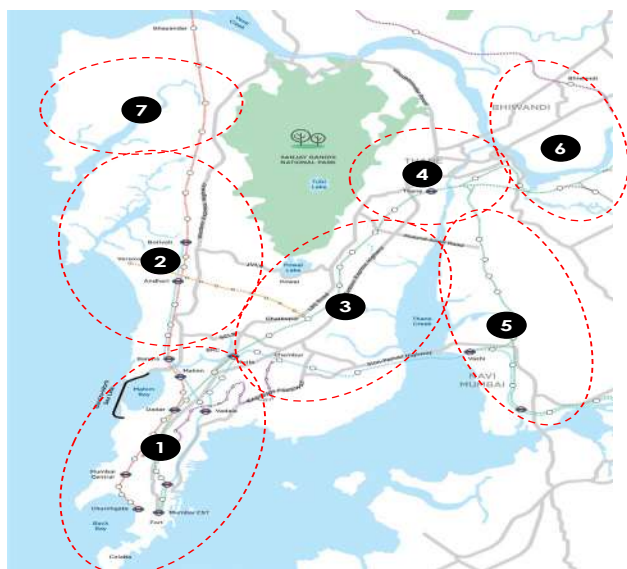
Mumbai Metropolitan Region (MMR) Real Estate Overview

Mumbai is the commercial and financial capital of India and houses the two stock exchanges, which account for most of the securities trading in the country. With the busiest single-runway airport in India and two large seaports, Mumbai accounts for over half of India's foreign trade, generates 6% of India's GDP and one-third of the country's tax revenues. Home to a flourishing media and film industry, the city also serves as the entertainment capital of the country. Its economic base is well diversified with the Banking and Financial Services Industry (BFSI), engineering, services, and IT/IteS sectors, logistic companies have their presence. Mumbai is one of the biggest real estate markets in India. It has various micro-markets along with Mumbai City, suburbs, extended suburbs and neighboring areas such as Thane and Navi Mumbai. With the recent infrastructure projects completing such as Mono and Metro (Line 1), Mumbai witnessed significant physical infrastructure improvements. Upcoming projects in the medium term will improve the connectivity further.

Mumbai has a diverse base of industries and small and medium businesses. Mumbai creates employment opportunities across the value chain for both front and back offices. On a qualitative basis, announce of addition of office space (employment generation) in the city-centric and the suburban areas affect the select residential pockets of suburban areas (e.g. Ghodbunder Road) with a lag of 2 – 3 years.

Extended nodes of Mumbai such as Panvel, Bhiwandi, and Kalyan have seen growth in logistics, e-commerce and warehousing activities. The workforce working there has contributed to the housing demand for mid and affordable category at the projects in Extended Eastern Suburbs, Thane & Navi Mumbai.

From a residential real estate perspective, the MMR can be broadly divided into seven different micro-markets based on geography, profile of population and type of real estate development, as illustrated in the map below:



Details for each of the 7 micro markets please refer to Annexure 1 of the Industry section.

Supply and Absorption Analysis

Supply and absorption declined in 2016 and 2017 in the MMR, primarily on account of the impact of demonetization, RERA and GST. Post 2017, absorption of units grew steadily and outpaced supply of units. In 2020, the units launched were lower than the units sold. Until Q3 2020, only select developers were launching projects with high inventory size in the MMR and the buyers who visited sites before the lockdown were going ahead with their buying decision. Q4 2020 was better than earlier quarters, on the back of the festive season, low interest rates and an improving employment scenario. Since the announcement of reduction in the stamp duty by the Government of Maharashtra with effect from September 1, 2020, housing sales have increased continuously month-on-month. There has been a steady increase in launches as well as absorption in 2021 as compared to 2020 which shows a further improvement in the residential market dynamics of MMR.

The following graph sets forth supply and absorption trends (in units) in the MMR from 2015 to 2021:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following table sets forth sale and absorption trends (in value terms) in the MMR from 2015 to 2021:

Particulars	2015	2016	2017	2018	2019	2020	2021
Supply (in ₹ crores)	124,716	95,296	61,719	60,766	64,690	38,105	50,156
Absorption (in ₹ crores)	83,272	87,060	68,974	79,507	95,962	53,140	97,985

Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Unsold Inventory

The overall unsold inventory gradually decreased from 2017 and is at its lowest in the last six years, on account of strong absorption trends, which was higher than newly launched units and previously unsold inventory.

The following graph sets forth unsold inventory and inventory overhang (in months) trends in the MMR from 2015 to 2021:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Capital Price Movement

There has been a stagnancy in the Capital Values of Overall Market of Mumbai from 2015 to 2021, with a minimal appreciation from 2017 to 2020 at the rate of ~1% on a yearly basis. In 2020, the overall base prices have remained stagnated with the comparison with 2019. However there has been an appreciation in prices in 2021 due to recovery in residential markets in MMR.

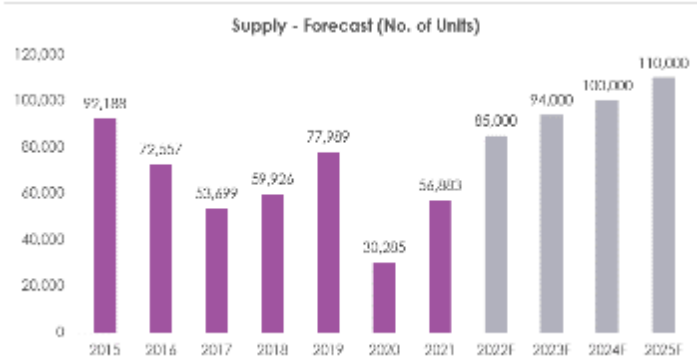


Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

MMR – Supply, Demand and Price Forecast and Outlook Till 2025

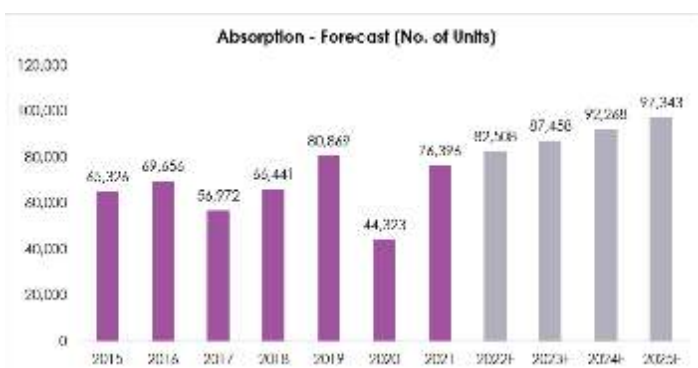
The following graph sets forth supply outlook for MMR from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following graph sets forth absorption outlook for MMR from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following graph sets forth pricing forecast for MMR from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The annual absorption in MMR in 2021 is almost nearing absorption levels recorded in 2019. Anarock expects that 2022 onwards, there is expected to be a gradual increase in absorption until 2025. In spite of 2021 witnessing relatively lower launches as compared to 2019, Anarock anticipates launches to exceed 2019 levels from 2022 onwards. On account of disciplined supply and healthy absorption levels, annual overhang is expected to hover around 2.2 years for next four years.

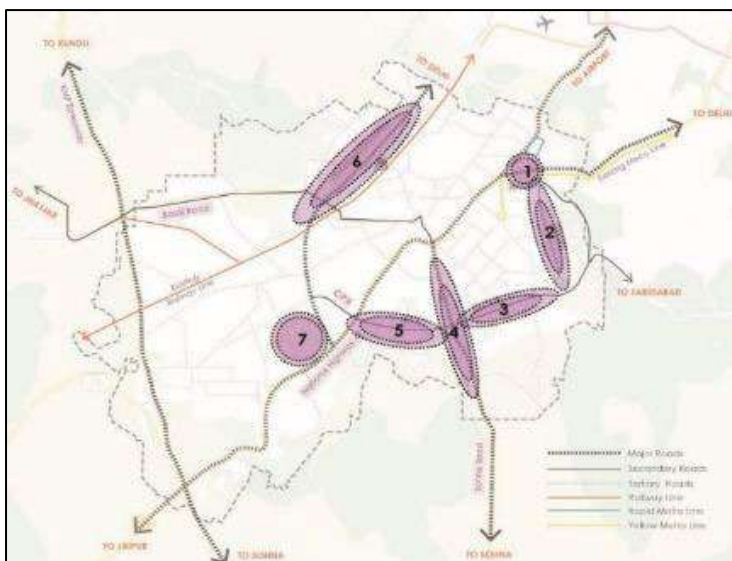
Accuracy of the forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of COVID-19 pandemic waves, which will have impact on market performance. Also, the projections may be re-visited by end of CY Q1, in order to validate the projected performance of the remaining 3 quarters basis the performance of Q1.

Gurugram Region Real Estate Overview

Over the period of last two decades, Gurugram has emerged as the fastest growing suburb of Delhi-NCR. Superlative accessibility and connectivity from the capital, locational advantage of being located along both sides of the National Highway (NH8), availability of large land parcels, favourable development norms, and active Public Private Participation in the sphere of township development; have all been instrumental in supporting the growth of Gurugram's real estate market.

Major micro-markets and growth corridors have been established along the key peripheral roads of the city such as NH 8 (Delhi-Gurugram Expressway), Mehrauli-Gurugram Road (MG Road), Golf Course Road and Sohna Road. The emerging micro-markets are witnessing real estate development along the proposed link roads and arterial roads such as Golf Course Extension Road, Dwarka Expressway (Northern Periphery Road), Southern Periphery Road, and the areas along NH 8 towards Manesar (New Gurugram and IMT Manesar).

From a residential real estate perspective, the Gurugram can be broadly divided into seven different micro-markets based on geography, profile of population and type of real estate development, as illustrated in the map below:



Source: Google Maps, Anarock Research

Details for each of the 7 micro markets please refer to Annexure 2 of the Industry section.

The Millennium City of Gurugram has a very prominent place on India's residential real estate map and is considered a bellwether of the state of the market for NCR.

Located adjoining the South-West fringe of Delhi, Gurugram is one of the most rapidly developing cities of the NCR. Constraint of space in Delhi led to new development in commercial and residential domains to be channeled into Gurugram. The city's proximity to the National Capital, well developed infrastructure and availability of Grade A real estate developments have established Gurugram as the economic hub of the region.

The new residential growth comprising of multistoried apartments initially started along its major arterial roads of MG Road, Golf Course Road and later spread down along the main highway connecting it to Delhi-NH-8.

Further along the way as the city started to grow its wings, newer areas were opened along the Golf Course Extension Road and newer sectors opened up along the proposed Dwarka-Gurugram Expressway and both sides of the NH-8, beyond the second toll plaza.

Each of these residential precincts has their own set of specifications, price points, and target segments. Gurugram boasts of one of the highest white-collar workforces and with its homogeneous industry mix, it caters to all categories of home buyers – from affordable to ultra-luxury

The newest residential corridors of New Gurugram (sectors on both sides of NH-8, beyond the toll plaza at Kherki Daula) and Dwarka-Gurugram Expressway have been its highest contributors to supply and sales in the previous few years.

Gurugram benefited from connectivity and proximity to Delhi where the companies could tap into manpower residing in Delhi. Presence of large developers with land banks to develop Grade A space at optimum price points provided impetus to the commercial development. Over the years, the increased level of commercial activity has brought with it residential, retail and hospitality development as well. Today, in the commercial space segment, Gurugram accounts for the largest share in the National Capital Region (NCR) in terms of annual development, and absorption of commercial space.

Prior to emerging as a commercial hub, the city was known as an industrial hub and today, along with Faridabad accounts for a major share of industrial activity in the state of Haryana. It is home to various industry types like automobiles and automobile ancillaries, electric goods, sports goods, rubber products, readymade garments, light engineering goods, pharmaceuticals, terry towels, food items, air conditioners, shoes, pesticides, insecticides etc. Following are some of the key parameters driving growth in residential real estate sector in the city.

Supply and Absorption Analysis

The new launches dwindled drastically post 2015 on the backdrop of declining sales velocity, structural policy changes and liquidity crunch in the market. With improvement in market conditions in 2019, considerable number of launches were witnessed, and the supply numbers almost touched 2015 levels.

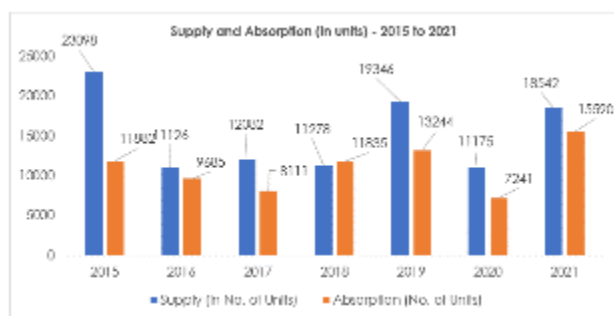
However, with lockdowns during COVID-19 in H1 2020, market suffered a slowdown both in supply as well as absorption numbers. With relaxations during H2 2020, decadal low interest rates for home loans, and incentives offered by the developers in the form of different payment plans, homes loaded with white goods etc., the demand got revived.

The momentum was continued in 2021 as well, because of the economic revival, pent-up demand, and preference of home ownership by buyers. Entire NCR saw housing sales increase by 73% – from 23,210 units in 2020 to 40,050 units in 2021. Back in the pre-COVID-19 period of 2019, total sales in the region were approx. 46,920 units, thereby reaching 85% of the pre-COVID-19 period. With this performance, NCR comes second only to MMR in terms of sales during the whole of 2021. MMR witnessed housing sales of nearly 76,400 units in entire 2021 while NCR saw sales of approx. 40,050 units.

Gurugram sold as many as 15,590 units in 2021, thereby seeing a yearly rise of 115%. Of the total units sold in NCR in 2021 (40,040 units), Gurugram comprised 39% share.

In terms of housing launches, NCR added 125pprox. 31,710 new units in 2021 compared to 18,530 units in 2020 – a significant rise of 71%. Back in 2019, the new supply stood at 125pprox. 35,280 units. Gurugram added as many as 18,540 units in 2021, thereby seeing a yearly rise of 66%. Of the total units launched in NCR in 2021 (31,710 units), Gurugram comprised a whopping 58% share. Many launches in the city were in the form of plotted projects and bigger unit sizes with study to address the need driven by work from home concept

The following graph sets forth supply and absorption trends (in units) in the Gurugram from 2015 to 2021:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following table sets forth sale and absorption trends (in value terms) in Gurugram from 2015 to 2021:

Particulars	2015	2016	2017	2018	2019	2020	2,021
Supply (in ₹ crores)	21,786	11,611	7,755	10,394	15,640	7,110	14,206
Absorption (in ₹ crores)	12,453	10,145	7,506	10,654	12,194	5,913	12,154

Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Unsold Inventory

The overall unsold inventory has been increasing since 2015. This is primarily because of weak cumulative absorption during 2015-2018, which was lower than the total launches and the inventory available from previous launches. However, even though the unsold inventory was at its peak in 2021 but the overall inventory hang, which is currently at 50 months, is lowest in the last 6 years

The following graph sets forth unsold inventory trends in the Gurugram from 2015 to 2021:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Capital Price Movement

Gurugram which used to be an investor driven market is primarily shifting to an end-user market which is evident from the price correction trends in the last few years. After a dip in 2017 post structural policy changes by the government, the prices have remained more or less stagnant.

In 2021 with overall recovery in market sentiments, there has been an increase of approx.. 2% in the average capital prices over the past year.



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Gurugram – Supply, Absorption and Pricing Forecast and Outlook Till 2025

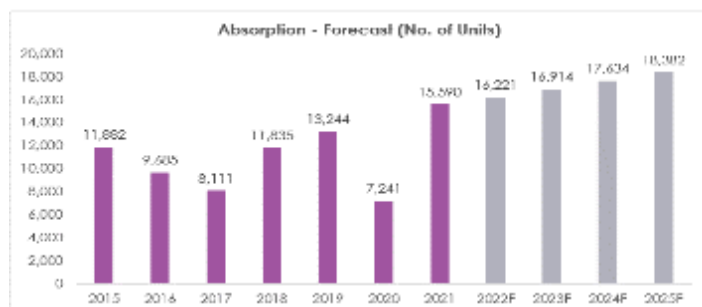
The following graph sets forth supply outlook for Gurugram from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following graph sets forth absorption outlook for Gurugram from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following graph sets forth pricing forecast for Gurugram from 2022 to 2025:



Source: Anarock Research

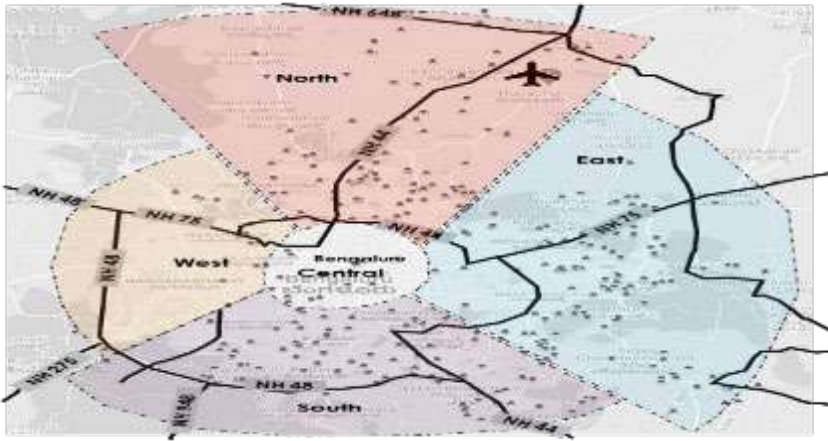
Note: All the figures in the above graph are as per Calendar Year (CY)

The annual absorption in Bengaluru in 2021 is higher than the absorption levels recorded in 2019. Anarock expects that 2022 onwards, these absorption levels are expected to marginally increase until 2025. In spite of 2021 witnessing slightly lower launches as compared to 2019, Anarock anticipates launches to exceed 2019 levels from 2022 onwards. On account of relatively higher supply and moderate absorption levels, annual overhang is expected to gradually increase in next four years.

The accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of COVID-19 pandemic waves, which will have impact on market performance. Also, the projections may be re-visited by end of CY Q1, in order to validate the projected performance of the remaining 3 quarters basis the performance of Q1.

Residential Real Estate Market in Bengaluru

From residential real estate perspective, Bengaluru can be broadly divided into five different micro-markets based on geography, profile of population and type of real estate development, as illustrated in the map below:

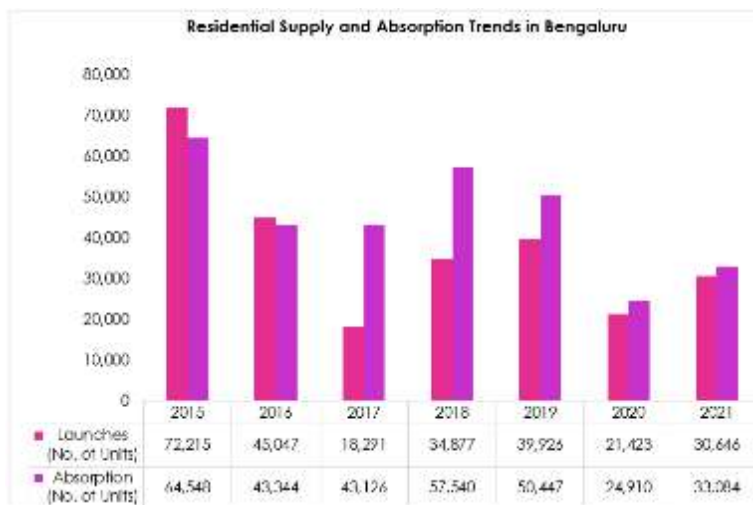


Details for each of the 5 micro markets please refer to Annexure 3 of the Industry section.

Supply, Absorption and Unsold Inventory Trends in Bengaluru

Supply and absorption declined in 2016 and 2017 in Bengaluru, primarily on account of the impact of demonetization, RERA and GST. Post 2016, absorption of units grew steadily and outpaced supply of units. Until Q3 2020, only select developers were launching projects with high inventory size in Bengaluru and the buyers who visited sites before the lockdown were going ahead with their buying decision. With respect to absorption, Q4 2020 was better than earlier quarters, on the back of the festive season, low interest rates and an improving employment scenario. Since the announcement of reduction in the stamp duty by the Government of Karnataka in Q3 2021, housing sales have increased continuously month-on-month. There has been a steady increase in launches as well as absorption in 2021 as compared to 2020 which shows a further improvement in the residential market dynamics of Bengaluru.

The following graph sets forth supply and absorption trends (in units) in Bengaluru from 2015 to 2021:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following table sets forth sale and absorption trends (in value terms) in Bengaluru from 2015 to 2021:

Particulars	2015	2016	2017	2018	2019	2020	2021
Supply (in ₹ crores)	53,047	37,701	10,185	26,340	24,846	12,741	24,751
Absorption (in ₹ crores)	46,138	30,930	30,158	40,375	32,157	16,425	22,525

Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The overall unsold inventory gradually decreased from 2016 and is at its lowest in the last six years, on account of strong absorption trends, which was higher than newly launched units and previously unsold inventory.

Our Company and our amalgamating entity have our footprints in the fastest growing residential markets of Bengaluru, namely East Bengaluru (Outer Ring Road) and North Bengaluru (Bellary Road, Hebbal and Yelahanka).

The following graph sets forth unsold inventory and Inventory Overhang trends in Bengaluru from 2015 to 2021:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Bengaluru – Supply, Demand and Price Forecast and Outlook Till 2025

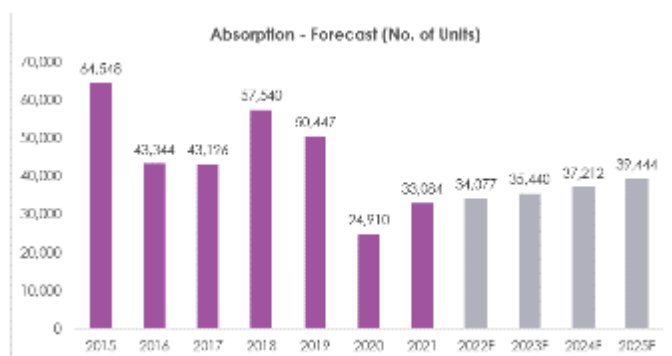
The following graph sets forth supply outlook for Bengaluru from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following graph sets forth absorption outlook for Bengaluru from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

The following graph sets forth pricing forecast for Bengaluru from 2022 to 2025:



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

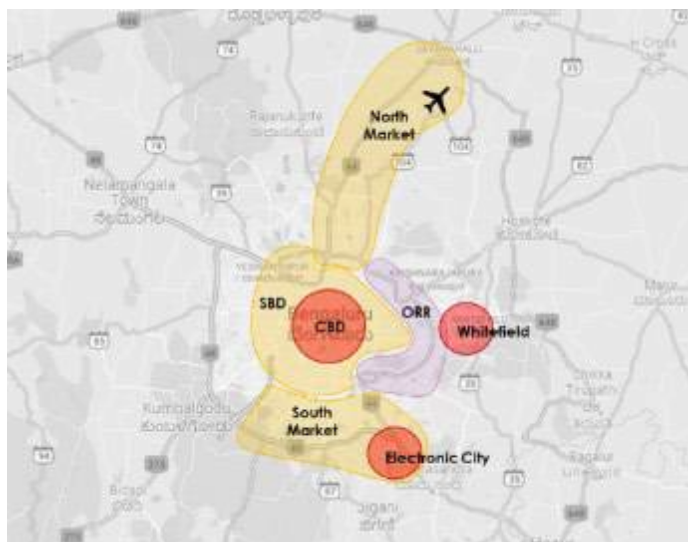
The annual absorption in Bengaluru in 2021 is marginally lower than the absorption levels recorded in 2019. Anarock expects that 2022 onwards, there is expected to be a gradual increase in absorption until 2025 however it would be challenging for the city to attain 2019 absorption levels in next few years. In spite of 2021 witnessing relatively lower launches as compared to 2019, Anarock anticipates launches to exceed 2019 levels from 2022 onwards. On account of relatively higher supply and moderate absorption levels, annual overhang is expected to gradually increase in next four years.

The accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of COVID-19 pandemic waves, which will have impact on market performance. Also, the projections may be re-visited by end of CY Q1, in order to validate the projected performance of the remaining 3 quarters basis the performance of Q1.

Bengaluru Commercial Real Estate Market Overview

Bengaluru has gained a special significance in the real estate market due to significant growth of Information Technology (IT) and IT enabled services (IteS) industry in the last two decades. Other than IT and IteS, other sectors like automobile, garments, BFSI and real estate have also witnessed remarkable growth over the past decade. The increasing demand for commercial sector reflected in generation of more employment as well as higher disposable income apart from need for better residential neighbourhoods and different formats of retail, leisure and entertainment.

Major Commercial Markets in Bengaluru



Source: Anarock Research

Bengaluru has grown in radial direction along the main corridors. The growth originated from Central Business District (CBD) followed by the Secondary Business District (SBD). Other major commercial nodes in Bengaluru include Whitefield in the east, Outer Ring Road in Northeast, East and Southeast and Electronic City in the South. North Market along Bellary Road has become a rapidly emerging market in Bengaluru. Our Company and our amalgamating entity have our footprints, primarily for greenfield projects, in the fastest growing commercial markets of Bengaluru, namely Whitefield and North Bengaluru.

Demand Drivers for Office Market



Bengaluru is regarded as the ‘Silicon Valley of India’. The city has witnessed highest decadal growth rate among major 8 Tier 1 cities in India. The city has also performed well in Ease of Living Index, Global Talent Competitiveness Index, City momentum index etc. Various factors attributing to the demand of office spaces in Bengaluru are briefly discussed below.

Industries

Bengaluru is the highest exporter of IT products in India. It has largest concentration of IT and IteS & BPO companies with over 630 MNCs, 22000 IT companies, 220 BPOs and 200 Biotechnology companies. Bengaluru is the first city to have Aircraft Manufacturing unit and Space Research Centre. City accounts for approximately 47% of the total biotech companies in India.

Apart from IT/IteS sector, recently Medical/Pharma sector has been gaining traction in Bengaluru commercial office market, after the outbreak of COVID-19 pandemic.

Affordable Rentals

Bengaluru offers highly competitive rentals for office spaces compared to major cities Delhi and Mumbai. This is due to availability of land parcels in competitive capital values in the outskirts of Bengaluru especially North, East and South Bengaluru. Average office Rental in Mumbai is INR 133 per sq. ft. per month whereas for Delhi, it is INR 78 per sq. ft. per month. Office rental in Bengaluru is INR 76 per sq. ft. per month on average.

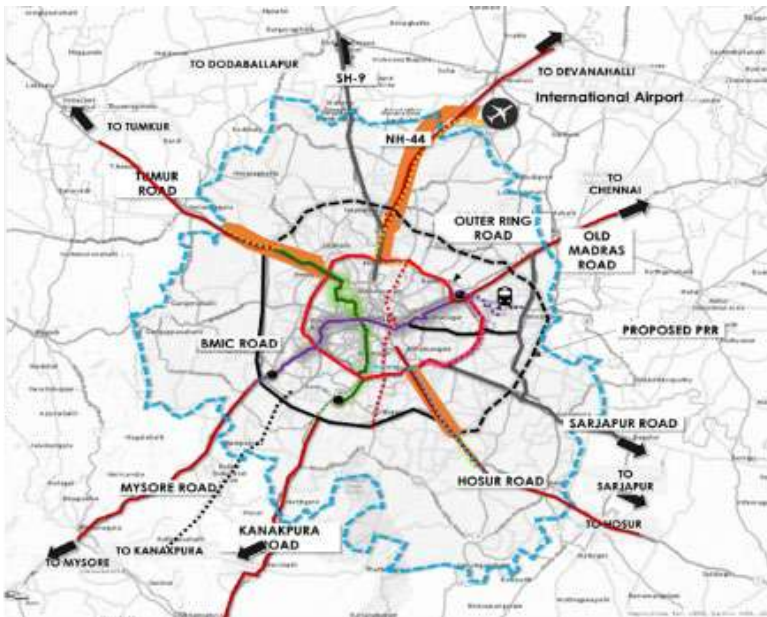
Profile of the developers

Office supply in Bengaluru is dominated by Grade A developers like Prestige Group, RMZ Corp, Embassy, Brigade, etc. which is known to supply majority of investment grade office spaces in Bengaluru. Embassy has recently listed their commercial office portfolio along with Blackstone in REIT (being the first REIT in India); Brigade and Prestige are listed players among the commercial real estate developers. RMZ Corp has also recently sold significant portion of their office and co-working portfolio to Brookfield Asset Management and is expected to be get REIT listed in near future.

Transport Infrastructure

Bengaluru has robust transport infrastructure in place. Three National Highways pass through Bengaluru. Other major roads in Bengaluru include Outer Ring Road, three Elevated corridors. Also, there are proposed road projects such as Peripheral Ring Road and Satellite Town Ring Road which are expected to ease out the traffic within the city. Bengaluru also has Metro Rail system which is currently under expansion. Bengaluru is also proposed to have sub-urban rail system. Bengaluru International Airport started operations in 2008 and is the third busiest Airport by passenger traffic in India, after Delhi and Mumbai Airports. The Airport is currently under expansion. The following map shows major existing and upcoming infrastructure in Bengaluru.

Infrastructure Map of Bengaluru



Other Supporting Factors

- Political Environment: Bengaluru has low or no impact on real estate during change of Governments. The political environment of Bengaluru is conducive for Real Estate developments.
- Climate: Bengaluru is known for its pleasant climate due to its high elevation.
- Large Talent Base: Bengaluru houses many reputed Educational and Research Institutes. About 100 thousand students graduate annually in the city. Indian Institute of Science, National Institute of Mental Health and Neuro-physics are prominent Institutes in Bengaluru. Another important factor is Bengaluru has good availability of service-oriented workforce both within Bengaluru and from the surrounding states of Karnataka.

Quarterly Office Rentals and Vacancy Trends For The Last 2 Years

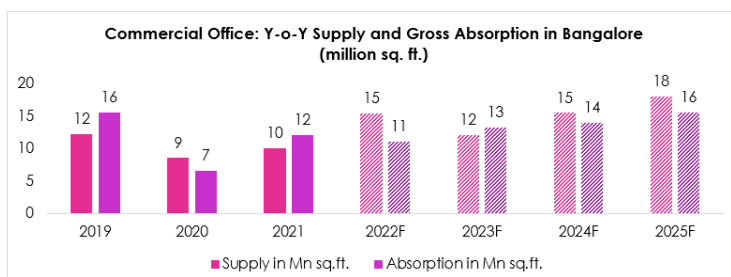


Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

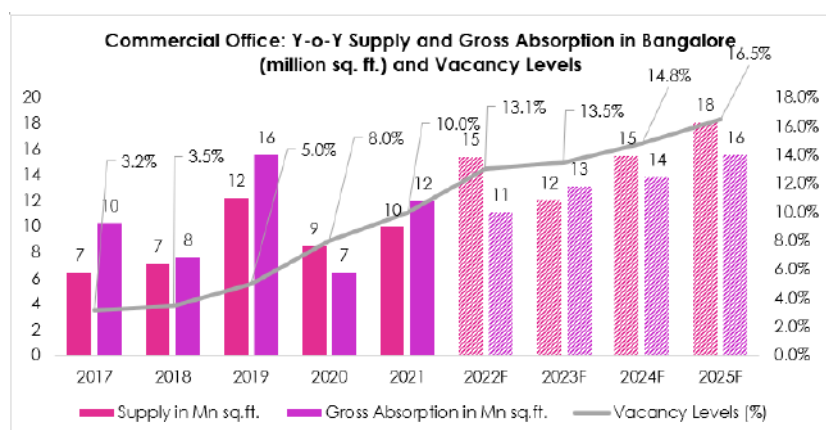
There have been fluctuations in office rentals in Bengaluru especially from 3rd quarter 2020. Rental dropped from INR 90 per sq.ft. per month to INR 75 per sq. ft. per month from Q2 2020 to Q3 2020. However, it increased to INR 92 per sq. ft. per month in the subsequent quarter. Bengaluru office rentals have shown bounce back after each drop in rental. The vacancy have been increasing especially since Q3 2020. Q4 2021 has shown signs of recovery in vacancy with a marginal reduction.

Annual Office Absorption, Supply and Vacancy Trends For Last 5 Years & Future Outlook Till 2025



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)



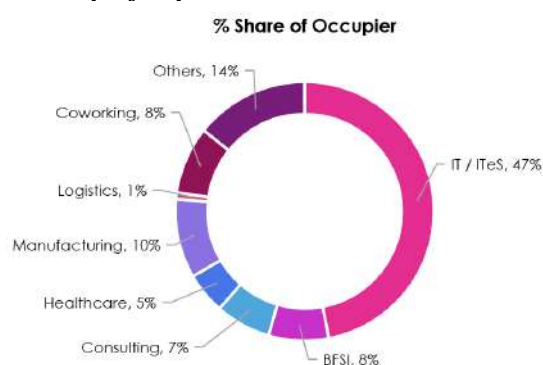
Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Supply and Absorption witnessed a decrease in 2020 due to the COVID-19 pandemic outbreak. Year 2021 witnessed recovery in supply and new absorption. Supply is expected to witness a peak in year 2022 with the completion of office buildings especially in North and East markets of Bengaluru. Absorption is expected to come back to the pre-pandemic levels by the year 2025. The absorption projections have been made based on the following factors.

- The existing vacancy in the completed projects in Bengaluru
- The phasing of absorption in the upcoming year-on-year office supply
- The average y-o-y absorption in the pre-pandemic years

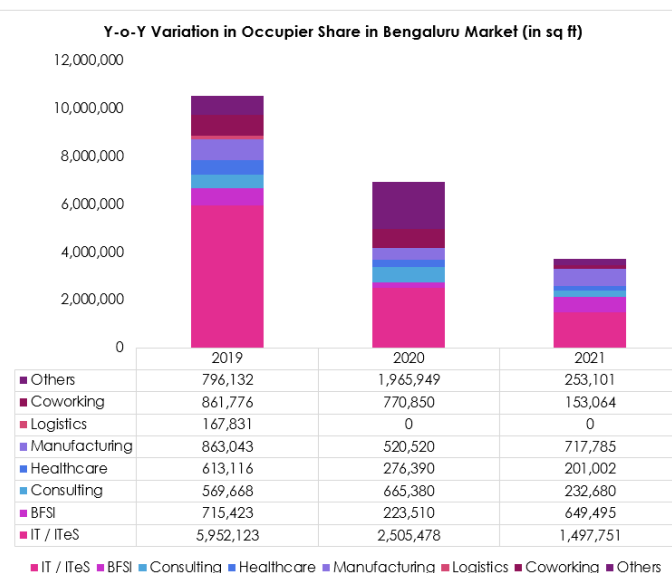
Break-Up Of Top Consumers For Commercial Absorption At Bengaluru City Level (Last 3 Years)



Source: Anarock Research

Top consumer for office spaces in Bengaluru is IT/IteS companies, followed by manufacturing companies and co-working and BFSI companies. Healthcare/Pharma companies started gaining traction especially after the outbreak of COVID-19 pandemic.

Around 10 million sq. ft. was transacted under IT/IteS category from year 2019 to 2021. Manufacturing sector witnessed around 2.1 million sq.ft. transactions whereas co-working sector witnessed around 1.8 million sq. ft. transaction. BFSI sector witnessed 1.6 million sq.ft. transactions.

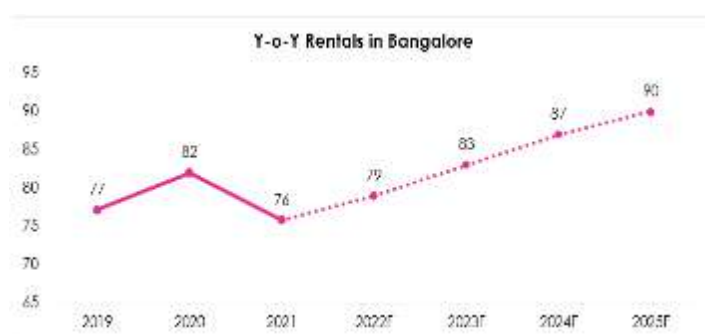


Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

2020 being an exceptional year with respect to absorptions, considering the share of occupier from 2019 to 2021, there is a marked increase in the manufacturing and BFSI sectors. There has been a reduction in the share of IT/IteS sector transactions.

Outlook With Forecast of Rental Movement Till 2025



Source: Anarock Research

Note: All the figures in the above graph are as per Calendar Year (CY)

Whitefield, Outer Ring Road, CBD and Electronic City are the major commercial nodes in Bengaluru. Currently Whitefield has an average rental of INR 52 per sq. ft. per month. Outer Ring Road market fetches an average rent of INR 82 per sq. ft. per month whereas CBD has a rental of INR 135 per sq. ft and Electronic City in the south has an average rental of INR 34 per sq. ft. per month. North Bengaluru is a fast-emerging market in Bengaluru which fetches an average rental of INR 48 per sq.ft. per month.

Year 2021 witnessed a decrease in office rentals in Bengaluru mainly due to the 2nd wave of COVID-19 pandemic. However, market has started showing signs of recovery in rentals as the companies started regaining interest in bringing their workforce back to office. The rental growth rate is expected to be at a lower side compared to pre-pandemic years considering the following.

- Corporates are in discussions for considering a hybrid model of work-from-office and work-from-home
- There is uncertainty in the market with the emergence of Omicron variant. It is expected to dampen the market.
- A huge supply is envisaged in the upcoming years especially in East market and North market which is expected to result in lower rental growth to boost absorption especially in these two markets.
- However, year 2023 is expected to witness an increase in average rental in Bengaluru reaching rental level of year 2020, with the expected higher absorptions in Outer Ring Road market which commands second highest rental in Bengaluru after CBD Market.

Impact of COVID-19 on Commercial Office Market at Bengaluru City Level

During the initial months of the COVID-19 pandemic (Q2 2020) occupiers were adapting to the work-from-home culture. During the period from July to August, select financial institutions and manufacturing occupiers reconsidered working from

office for better employee output. While work-from-home has certain pros such as saving travel time, occupiers have experienced some cons as well such as internet connectivity issues, privacy issues etc. Accordingly, Anarock expects work-from-home and work-from-office to co-exist (Hybrid work model).

First half of year 2020 witnessed a drop in absorption as well as supply of office spaces. Construction activities stopped across the country during first country wide lock-down. It also witnessed a negative rental growth rate in some cases. Also, some of the leases got discontinued/ deferred during 2020. However, Grade-A developers have witnessed higher rent recovery rates from Q3 2020. Q2 2021 witnessed a drop in the rentals again due to the second wave of COVID-19.

Although the work-from-home culture tends to consolidate demand for office space, the COVID-19 pandemic has resulted in demand for larger office space per employee. Co-working spaces gained momentum owing to the increased need of flexibility, space and safety.

Commercial buildings are required to comply with strict health and safety guidelines, which is expected to result in a shift towards more tech-enabled buildings to counter any safety and security issues in future. Grade-A developers are in a better position to comply with such strict health and safety guidelines.

After the occurrence of 2nd wave of COVID-19 and with the increase in vaccination rates, absorptions and supply started recovering in Q3 2021. Bengaluru accounted for highest no. of absorptions and supply in the country in 2021. Bengaluru is also witnessing a positive growth in the rentals. Of late, occupiers have been keen on bringing the workforce back to office while discussion around the hybrid model continues. There is also a factor of uncertainty with the appearance of new variant of the virus.

Portfolio Snapshot of Our Company

The below table lists down the city wise residential projects of our Company and our amalgamating entity.

MMR

Project Name	Location	Micro Market	Launch Period	Total units launched
Indiabulls Blu	Worli	South Central Mumbai	July 2012	381
Indiabulls Golf City Savroli	Savroli	Navi Mumbai	July 2012	1288
Indiabulls Greens - Panvel	Panvel	Navi Mumbai	March 2009	3147
Indiabulls Park - Panvel	Panvel	Navi Mumbai	September 2009	3547
One Indiabulls Thane	Thane	Thane	November 2016	390
Indiabulls Sky 882	Lower Parel	South Central Mumbai	September 2009	96
Indiabulls Sky Forest	Lower Parel	South Central Mumbai	September 2010	438

Gurgaon

Project Name	Location	Micro Market	Launch Period	Total units launched
Enigma Tower –D	Sector 110, Gurugram	Dwarka Expressway	April 2011	82
Indiabulls Centrum Park	Sector 103, Gurugram	Dwarka Expressway	March 2009	1025
Indiabulls Enigma	Sector 110, Gurugram	Dwarka Expressway	January 2010	397
INDIABULLS ONE 09	Sector 109, Gurugram	Dwarka Expressway	July 2015	522
One Indiabulls Gurgaon	Sector 104, Gurugram	Dwarka Expressway	September 2016	502
The Westerlies	Sector 108, Gurugram	Dwarka Expressway	March 2016	39

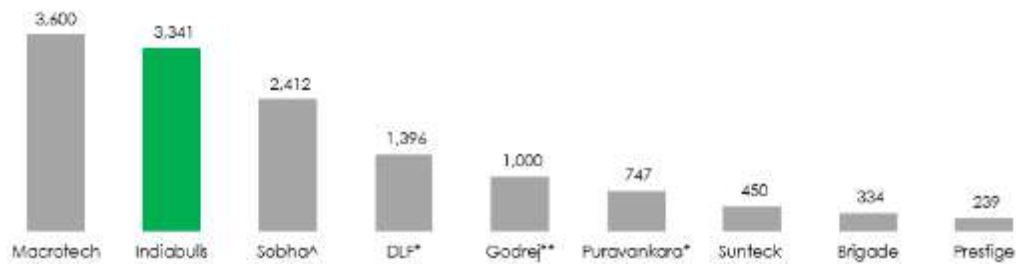
Bengaluru

Project Name	Location	Micro Market	Launch Period	Total units launched
Embassy Boulevard	Yelahanka, Off. Bellary Road	North Bengaluru	November 2012	167
Embassy Grove	Old Airport Road	Central Bengaluru	November 2012	106
Embassy ONE	Ganganagar, Bellary Road	North Bengaluru	February 2016	109
Embassy Lake Terraces	Hebbal	North Bengaluru	December 2013	467
Embassy Oasis	Frazer Town	Central Bengaluru	June 2012	26
Embassy Pristine	Bellandur, Off. Outer Ring Road	East Bengaluru	October 2011	424
Embassy EDGE	Off. Bellary Road, Nr. KIAL Toll	North Bengaluru	May 2018	826
Embassy Springs	Off. Bellary Road, Nr. AIAL Toll	North Bengaluru	June 2016	809

The Anarock Report presented below the peer analysis of our Company along with our amalgamating entity, with respect to, our competing listed developers PAN India. The analysis has been presented under two categories:

- Current land banks (in acres) of each entity, reported as on CY Q3 2021
- Total residential stock delivered, under construction and planned (in million sq ft), reported as on CY Q3 2021

Land bank (acres)^[1] - among the largest land bank in the listed space



Total residential stock delivered, under construction and planned (mn sf)



Total commercial stock under construction and planned (mn sf)



Sources: Our Company and our amalgamating entity related information are obtained from our Company. Information pertaining to other listed company are procured from filings including investor presentations.

* Assuming FSI of 2.5 – DLF (152 MN SF, Puravankara (51 MN SF)

** Indicates developable Land area under Vikhroli land parcel for Godrej

^as indicated in March '20 Investor presentation, latest data unavailable

Indicates area under development + FY22 launches for Godrej, unsold area unavailable

[1] Our Company has 89% economic interest in 1,424 acres of Nashik SEZ Land

Annexure 1

Sr. No.	Micro-market	Key Locations	Micro-market Characteristics	Residential Category Served [^]
1	South Central Mumbai	Cuffe Parade, Colaba Lower Parel, Prabhadevi, Dadar, Worli, Parel, Mahalaxmi, Byculla, Sewri, Wadala	The most premium micro-market with the costliest residential real estate. Lesser launches, predominantly redevelopment	Luxury and Ultra Luxury
2	Western Suburbs	Bandra, Khar, Andheri, Jogeshwari, Vile Parle, Goregaon, Malad, Kandivali, Borivali	Established residential suburbs with the coastal line on its west and Airport at its east. Trade at a little premium than eastern suburbs	High End, Luxury and Ultra Luxury
3	Eastern Suburbs	Kurla, Powai, LBS Marg, Ghatkopar, Vikhroli, Mulund, Sion, Bhandup	Developed residential suburbs. Many office projects at walking distance of the residential developments	Mid End, High Ed and Luxury
4	Thane	Thane, Ghodbunder Road, Wagle Estate	Established Residential node catering to Mid income categories.	Mid End, High End and Luxury
5	Navi Mumbai	Vashi, Airoli, Belapur, Rabale, Mahape, Turbhe, Ghansoli, Sanpada, Kharghar, Panvel, Savroli	Erstwhile Industrial belt converted to office and residential development. Affordable real estate compared with Mumbai	Mid End, High End and Luxury
6	Extended Eastern Suburbs	Dombivali, Kalyan, Asangaon, Badlapur, Titwala, Karjat	Newly developed residential townships. Micro-market for affordable housing, Improving infrastructure	Affordable and Mid End
7	Extended Western Suburbs	Vasai, Virar, Mira Road, Bhayander, Naigaon	Newly developed residential townships. Micro-market for affordable housing, Improving infrastructure	Affordable and Mid End

Note: (1) The residential market can be broadly categorized based on ticket size as follows: the affordable category: having a ticket size of less than ₹ 4.0 million; the mid-end category: having a ticket size that ranges between ₹ 4.0 million to ₹ 8.0 million; the high-end category: having a ticket size that ranges between ₹ 8.0 million to ₹ 15.0 million; the luxury category: having a ticket size that ranges between ₹ 15.0 million to ₹ 25.0 million; and the ultra-luxury category: having a ticket size that is over ₹ 25.0 million.

Annexure 2

S. No	MICRO-MARKET	Key Locations	Micro Market Characteristics	Residential Category Served^
1	MG Road	Sector 24, 25, 26, 28	This arterial road connects Gurugram with South Delhi and the typology of development is Residential (comprising of farm houses), Commercial and Retail. Running from IFFCO Chowk in Gurugram till Guru Drona Charya Metro Station, the stretch forms the most important retail precinct in the city of Gurugram and thus houses many premium shopping malls.	High End, Luxury and Ultra Luxury
2	Golf Course Road	Sector 51, 52, 53, 54, 55, 56, 57, 58, 59	The most premium micro-market with the costliest residential real estate. Lesser launches	Luxury and Ultra Luxury
3	Golf Course Extension Road	Sector 60, 61, 62, 63, 64, 65, 66, 67	An extension of the Golf Course Road, the Golf Course Extension Road is an upcoming micro-market which stands to benefit from the development of the Southern Periphery Road (which will boost its connectivity with NH8). Located in proximity to Sohna Road, this area is witnessing large scale real estate development with the typology mostly comprising of some Grade A offices and many high-rise residential complexes.	Mid End, High End and Luxury
4	Gurugram Sohna Road	Sector 33, 48, 49, 67A, 68, 74	The road connecting Gurugram with Sohna town in the South-West; Sohna Road is a fast-growing corridor. The area has witnessed large scale real estate activity and has many group housing societies and Grade A and Grade B office building. The support infrastructure in form of retail malls is also fast developing.	Mid End and High End
5	Southern Peripheral Road	Sector 69, 70, 71, 72, 73	Stretching southwards from NH8 up to Golf Course Road, this corridor is one of the upcoming growth corridors of the city. The corridor mainly comprises of residential and commercial developments	Affordable and Mid End
6	Dwarka Expressway	Sector 37C, 37D, 88, 88B, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114.	One of the most promising emerging real estate corridors of the region, the Northern Periphery Road will connect Dwarka in Delhi with Gurugram on NH 8. The corridor mainly comprises of residential developments offering a large variety of housing options.	Affordable and Mid End
7	New Gurugram	Sector 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 89, 90, 91, 92, 93, 94, 95	Strategically located at the intersection of NH8 and Dwarka Expressway, in close proximity to Manesar. Newly developed residential townships. Micro-market for affordable housing, Improving infrastructure	Affordable and Mid End

Note: (1) The residential market can be broadly categorized based on ticket size as follows: the affordable category: having a ticket size of less than ₹ 4.0 million; the mid-end category: having a ticket size that ranges between ₹ 4.0 million to ₹ 8.0 million; the high-end category: having a ticket size that ranges between ₹ 8.0 million to ₹ 15.0 million; the luxury category: having a ticket size that ranges between ₹ 15.0 million to ₹ 25.0 million; and the ultra-luxury category: having a ticket size that is over ₹ 25.0 million.

Annexure 3

S. No.	Residential micro-markets in Bengaluru	Key locations	Residential category served ⁽¹⁾
1.	Central Bengaluru	Ashok Nagar, Shantala Nagar, Vasanth Nagar, Gandhi Nagar, MG Road, Palace Road, Ulsoor, Cox Town, Frazer Town, Cunningham Road, Lavelle Road, Old Airport Road	Luxury and ultra-luxury
2.	North Bengaluru	Hebbal, Bellary Road, Nagavara, Yelahanka, Thanisandra Road, Devanahalli, Doddaballapur	Mid-end, High-end and luxury
3.	East Bengaluru	Whitefield, Outer Ring Road, KR Puram, Off-Old Madras Road, Varthur, Sarjapur, Sarjapur Road	Mid-end, High-end and luxury
4.	South Bengaluru	Electronic City, Bannerghatta Road, Hosur Road, Kanakpura Road, Mysore Road, NICE Ring Road	Mid-end, High-end and luxury
5.	West Bengaluru	Yeshwanthpur, Tumkur Road, Magadi Road	Mid-end, High-end and luxury

Note: The residential market can be broadly categorized based on ticket size as follows: the affordable category: having a ticket size of less than ₹ 4.0 million; the mid-end category: having a ticket size that ranges between ₹ 4.0 million to ₹ 8.0 million; the high-end category: having a ticket size that ranges between ₹ 8.0 million to ₹ 15.0 million; the luxury category: having a ticket size that ranges between ₹ 15.0 million to ₹ 25.0 million; and the ultra-luxury category: having a ticket size that is over ₹ 25.0 million.

OUR BUSINESS

Certain information contained in this section is taken from the report titled “Real Estate Industry Report”, dated April 4, 2022 prepared by Anarock Property Consultants Private Limited and commissioned and paid for by our Company (the “Anarock Report”). Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

In this section, unless the context otherwise indicates or implies, “we”, “us”, “our” and “our Company” refer to Indiabulls Real Estate Limited and our subsidiaries.

Overview

We are a prominent real estate developer in the Mumbai Metropolitan Region (“MMR”) and the National Capital Region (“NCR”) of India. We have a diversified presence in residential real estate developments across the Mid-income, Premium and Luxury price categories. Geographically, our strategic focus is in our key markets of MMR and NCR. As of December 31, 2021, our inventory amounted to a total Saleable Area of 17.3 million square feet, out of which 10.0 million square feet was located in the MMR region and 4.6 million square feet was located in the NCR region. Our flagship projects include Indiabulls Blu Estate & Club residential towers in Worli, Mumbai. As of the date of this Placement Document, we have 11 residential projects and 4 commercial projects in MMR, NCR, Jodhpur, Vadodara, Vizag and Indore in various stages of completion. Our shares are listed on the BSE and the NSE.

Our core competency lies in managing the real estate value chain as we have in-house capabilities to deliver a project from conceptualization to completion. We believe that a significant competitive differentiator for us has been our track record in delivering strategically-located large scale projects with high quality construction and sustainable practices. Our adept technical and design team aim to ensure efficient and quality developments. We believe we have the human capital and technology-enabled systems to successfully manage large construction projects with timely and quality execution and delivery and years of on the ground industry experience. We place an emphasis on safety in all phases of construction. We believe that our understanding of the relevant real estate market, positive perception, innovative design and marketing and branding techniques enable us to attract customers.

As of December 31, 2021, our projects with occupation certificates or that are near completion comprised of approximately 14.5 million square feet of Saleable Area, of which, approximately 13.7 million square feet or 94.5% is in residential housing, and approximately 0.8 million square feet or 5.5% comprises of commercial projects. Our ongoing projects comprised approximately 12.6 million square feet of Saleable Area, of which approximately 12.1 million square feet or 96.0% is in residential housing and 0.5 million square feet or 4.0% is in the commercial space. Our planned projects comprised approximately 7.5 million square feet of Saleable Area, of which approximately 6.1 million square feet or 81.3% is in residential housing and 1.4 million square feet or 18.7% are commercial developments. Our portfolio of ongoing projects include Blu Estate and Club (Worli), Indiabulls Park (Panvel), One Indiabulls (Thane), One Indiabulls (Gurugram) and Indiabulls One 09 (Gurugram). Further, our planned projects comprise Arivali (Panvel), Indiabulls Golf City (Savroli), Silverlake Villas (Alibaug) and Centrum (Indore).

We also have one of the largest land banks among listed Indian real estate developers (*Source: Anarock Report*). Our land banks are located near major metropolitans, including the MMR, NCR and Chennai. We believe our significant land banks allow us to seize potential market opportunities without the need to first spend time and resources locating and acquiring the land. We also have the option to monetize certain part of our land banks in non-core locations, which in turn allows us to focus on enhancing our presence in strategic locations.

On August 18, 2020, the Board of our Company approved a scheme of amalgamation (the “**Amalgamation**”) amongst the Amalgamating Group and our Company, pursuant to which NAM Estates and EOCDPL will merge with our Company (such merged entity, the “**Amalgamated Company**”), as further described in “*Proposed Merger of NAM Estates and EOCDPL with our Company*” on page 179. There can be no assurance we will receive all relevant regulatory approvals, satisfy all conditions precedents or other requirements in a timely manner or at all. For more information, please see “*Risk Factors – Internal Risk Factors – There is no assurance that the Proposed Merger will be completed in a timely manner or at all*” on page 40. For details of the rationale of the amalgamation, please see “*Proposed Merger of NAM Estates and EOCDPL with our Company – Rationale of the Proposed Merger*” on page 179. For details in relation to the combined post-amalgamation strategy, please see “*Our Strategy*” on page 171. Further, for a description of the business of the Amalgamating Group, please see “*Business of the Amalgamating Group*” on page 156.

The table below shows our key financial and operational metrics for our operations:

Particulars	As of and for the nine months ended December 31, 2021	As of and for the financial year ended		
		March 31, 2021	March 31, 2020	March 31, 2019

Sales ⁽⁷⁾ (Value in ₹ million)	7,531.3	14,883.4	7,056.3	7,230.4
Sales (Saleable Area ⁽¹⁾⁽⁷⁾ in million square feet)	1.0	1.1	0.8	1.1
Sales ⁽⁷⁾ (number of units)	542	565	539	845
Gross Collections ⁽²⁾ (₹ in million)	7,815.0	19,366.0	44,178.2	25,645.8
Completed Built-up Area (million square feet)	0.7	0.3	0.8	10.3
Debt to Equity Ratio ⁽³⁾	0.4	0.4	0.8	1.4
Revenue from operations (₹ in million)	11,918.5	15,214.2	32,707.8	49,438.9
EBITDA ⁽⁴⁾ (in ₹ million)	835.9	3,203.3	9,704.9	13,215.5
EBITDA Margin ⁽⁵⁾	7.0%	21.1%	29.7%	26.7%
Profit/(Loss) for the period/year (₹ in million)	(765.3)	47.2	1,211.1	5,043.2
Profit After Tax Margin ⁽⁶⁾	(6.4%)	0.3%	3.7%	10.2%

Notes:

- (1) Saleable Area means the total carpet area in relation to each project along with appropriate loading to adjust for common areas, service and storage area parking area, area for amenities and other open areas
- (2) Gross collections comprises collections towards residential and commercial units and land, other charges, rebates given to customers, indirect taxes and facility management charges. Includes collection from sales of apartments, plots, land and projects.
- (3) Debt to Equity Ratio means total external borrowings divided by total shareholders' fund
- (4) EBITDA means Earnings before interest, taxes, depreciation, amortisation and impairment excluding other income
- (5) EBITDA Margin means EBITDA as a percentage of revenue from operations
- (6) Profit After Tax Margin means profit after tax as a percentage of revenue from operations
- (7) For sales in terms of value, area and units considered classification based on active sales as at December 31, 2021
Gross collections, EBITDA, EBITDA Margin and Profit After Tax Margin are not recognized measures under Ind AS or other recognized accounting standards.

Our Competitive Strengths

Our key competitive strengths are set out below:

Significant inventory of completed projects or projects with OC or are near completion

We believe that customers in India have started to prefer completed projects or projects with OC or projects that are near completion. In a survey report published in July 2021, completed and near completed property was the most preferred (32% respondents) among prospective buyers (*Source: Anarock Report*). We believe that the COVID-19 pandemic has further accentuated this trend. As of December 31, 2021, we had approximately 2.1 million square feet of completed projects and projects with OC received or that are near completion, which accounted for 20.8% of our total unsold inventory, by area. We believe that our significant inventory of completed projects and projects with OC or projects that are near completion would allow us to cater for the preferences of prospective buyers.

Strategically located projects in the attractive MMR and NCR markets

We have a track record of delivering a quality portfolio of assets, which is strategically located in the attractive markets of MMR and NCR. As of December 31, 2021, our inventory amounted to a total Saleable Area of 17.3 million square feet, out of which 10.0 million square feet was located in the MMR region and 4.6 million square feet was located in the NCR region. The strategic locations of our projects offers significant competitive advantage in terms of higher absorption and higher average base selling price.

The MMR is considered the most attractive real estate market in the Top Seven Indian Markets, having the largest share of supply and absorption, as well as the highest average base selling price, of residential units from 2016 to 2021, catering to a wide spectrum of income and demography. The NCR is also ranked in the Top Seven Indian Market in terms of supply, absorption and average base selling price, of residential units from 2015 to 2021 (*Source: Anarock Report*). We believe that each of the MMR and NCR has significant depth of demand for real estate developments across price points. We also believe that each of the MMR and NCR real estate markets has high barriers to entry due to limited land availability, high prices of land and knowledge of the regulatory and approval processes required for developing a project. As a result of our significant land banks, industry knowledge and familiarity with the regulatory environment in the MMR and the NCR, we have ranked as a prominent developer in South Central Mumbai, Thane and Navi Mumbai micro-markets of the MMR, and in the Dwarka Expressway micro-markets of Gurugram City, NCR (*Source: Anarock Report*).

In addition, we have several planned projects in the MMR, which we believe will enable us to have a robust launch pipeline over the next few years. Our planned residential projects are spread across several micro-markets in the MMR, such as Worli, Panvel and Thane. We also believe that we are well positioned to benefit from the expected increase in real estate demand as the Government commits infrastructure spending in the MMR.

Further, our ongoing and planned projects also benefit from the infrastructure developments within their vicinity, as set forth below:

- Blu Estate & Club, Worli is located adjacent to the Acharya Atre Station on the Colaba-Seepz Metro corridor in Mumbai;
- Our projects in Gurugram are located on National Highway-8 and the Dwarka Expressway;
- One Indiabulls Thane is located close to a proposed metro station and major arterial roads; and
- Indiabulls Greens Panvel is located close to the proposed Navi Mumbai International Airport and is connected to South Mumbai via the proposed Mumbai Trans Harbour Link.

The performance of our projects is also driven by their respective micro-markets. We have localized teams from various functions (including sales, liaisons and construction) within the MMR and NCR real estate markets with experience operating in their respective micro-markets. Such experience in turn enables us to take advantage of any changes in the market conditions, regulatory environment and overall demand in our respective micro-markets.

Strong Sales and Marketing Capabilities

Our marketing and sales team track market trends which enables us to position our projects appropriately in terms of location and price points, and creates a cohesive marketing strategy catered for each project.

Our marketing team is divided into various cells, including brand management, customer and market insights and digital marketing. Our brand management team focuses on establishing our corporate and product brands. The team has brand managers who are responsible for media planning and executing marketing campaigns. Our customer and market insights team relies on detailed market studies and surveys to understand various locations. Our digital marketing team creates brand awareness and lead generation via digital and social media across brands. We have carried out several digital media led branding campaigns.

We use differentiated sales strategies and multiple channels to sell our products. We have in-house sales teams which are focused on outstation markets, MMR and NCR. In addition, we have recently adopted a digital sales channel, pursuant to which a prospective customer is provided with the project related information through virtual meets as well as one-on-one meetings with our sales manager prior to the site visit. We also have a distribution network of channel partners.

We believe that our strong sales and marketing capabilities, including the ability to anticipate customer demands, provide customers services from booking a unit until handover, enables us to achieve strong sales of our units for our respective projects.

Focus on sustainable development

We believe in sustainable and environment-friendly practices, and have implemented the following practices across our developments: solar energy systems, rainwater harvesting and percolation pits, eco-friendly landscaping, water saving features, efficient façade designs that reduces glass reflection, thereby maximizing daylight and reducing energy consumption, efficient water usage through sewage treatment plant recycling, organic waste treatment and energy efficient buildings with eco-friendly equipment.

We promote the use of innovative technology such as green buildings and other energy efficient measures for the construction of our projects. We continue to collaborate with contractors and partners to explore measures for conservation of energy and resources, utilize alternate sources of energy and invest in energy conservation equipment. Some of our best practices are comprehensive energy-modeling during the design stage to achieve energy conservation, passive techniques for cooling such as optimum building envelope design, climate appropriate material, energy-saving LED light fixtures, replacement of lighting system with LEDs in our offices and periodic training sessions for employees. Further, we have implemented an environment management system which involves setting up organic waste management controls over several projects to monitor waste management.

Near-term Focus

Our near term focus for the next 18 to 24 months from the date hereof is set out below:

- *Development Projects:* We aim to complete and sell 2.1 million square feet of projects with OC/near completion (including Indiabulls Golf City and Mega Malls), collect sold receivables of ₹3,310 million and ramp up ongoing developments of approximately 7.8 million square feet.
- *Land banks / Commercial Development:* We aim to monetize identified parcels of land to recycle capital and fuel growth, including disposal of land parcel at Village Pawla Khusrupur, Sector 106, Tehsil and District Gurugram, Haryana for ₹

5,800 million. For more information, please see “Recent Development – Disposal of Land Parcel at Gurugram”.

- *New Launches:* We aim to launch 6.4 million square feet of planned residential and commercial projects across MMR and NCR within financial years 2023 and 2024. Our share of the Saleable Area was 5.5 million square feet. For more information, please see “Upcoming Launches”.
- *Inorganic growth strategies:* We aim to carry out more joint development agreement (“JDA”), joint venture (“JV”) and development fee management (“DM”) projects as part of our asset light growth strategy. For more information on JV, JDA and DM projects, please see “Joint Venture, Joint Development and Development Management Projects” and “Our Strategy – Continue to grow our business pursuant to joint development, joint venture or development management approach” below.

Recent Development

Disposal of Land Parcel at Sector 106, Gurgaon

On January 25, 2022, we announced that we had entered into a term sheet dated the same day with a third party relating to a disposal (“Disposal”) of our interest in a land parcel at Sector 106, Gurgaon. Subsequently on April 8, 2022, we entered into a share purchase agreement with the relevant party relating to the aforementioned Disposal, which is subject to the satisfaction of certain conditions precedent. The proposed consideration for the Disposal amounted to approximately ₹5,800 million, subject to necessary adjustment(s), if any, upon completion. However, there can be no assurance that the Disposal will be completed in a timely manner, or at all.

Description of our Business

We have, for the purpose of describing our business, classified the description of our projects into the following categories: (a) projects with occupation certificates/ near completion; (b) ongoing projects, (c) planned projects and (d) land banks. We believe that real estate development primarily involves seven distinct steps: (i) land acquisition by way of outright purchase and/or by way of entering into joint development arrangements with landowners, (ii) business plan of the project, (iii) design development and other pre- construction activities, (iv) acquisition of applicable approvals, (v) project construction, (vi) launch of sales and (vii) receipt of occupancy certificates and handover of units.

As of December 31, 2021, our property portfolio (comprising of projects with OC/near completion, ongoing projects and planned projects) amounted to 34.6 million square feet, of which 58.7% and 30.4% of the total Saleable Area were located in MMR and NCR, respectively.

The tables below provide an overview of our property portfolio (comprising of projects with OC/near completion, ongoing projects and planned projects) in India, as of December 31, 2021:

Portfolio	Saleable Area (million square feet)	
	Residential	Commercial
Projects with OC/near completion	13.7	0.9
Ongoing Projects	12.1	0.5
Planned Projects	6.1	1.4
Total	31.8	2.8

Note: The details in the tables above in relation to Saleable Area have been confirmed by Chaitali Maruti Desai, independent architect, pursuant to the certificate dated April 4, 2022.

Our Residential Portfolio

Our primary focus has been on the residential portfolio, as we believe that there are significant growth opportunities in this portfolio. As of December 31, 2021, our residential portfolio constituted 91.9% of Saleable Area of our total portfolio. We categorize our residential developments into (i) ultra-luxury housing; (ii) luxury housing; (iii) mid-income housing; and (iv) premium housing.

The table below provides an overview of our projects with occupation certificates or are near completion:

Project /ClusterName	Location	Year OC received	Total Saleable Area (million square feet)	Total Saleable Area sold (million square feet)	Total SaleableArea unsold (million square feet)	Estimated Pending Costs (₹ in million)	Sold Receivables (₹ in million)	Average Selling Price (₹ per square feet)
Blu Estate & Club	Mumbai	2021	1.4	1.4	0.1	310.0	(667.4)	29,853
Indiabulls Greens	Mumbai	2022	4.1	4.1	0.1	20.0	493.7	4,557
Indiabulls Golf City	Mumbai	2021	1.7	0.7	1.0	670.0	822.2	2,825
Enigma	NCR	2021	1.8	1.7	0.0	360.0	918.8	4,821
Centrum Park	NCR	2019	2.1	2.0	0.1	190.0	178.8	3,284
Indiabulls City	NCR	2019	1.8	1.5	0.3	130.0	92.8	1,000
Indiabulls Sierra	Vizag	Near completion	0.8	0.8	0.1	550.0	576.9	4,050

Note: The details in the table above in relation to total Saleable Area, total Saleable Area sold, total Saleable Area unsold, estimated pending costs have been confirmed by Chaitali Maruti Desai, independent architect, pursuant to the certificate dated April 4, 2022. The details in the table above in relation to sold receivables and average selling price have been confirmed by MRKS and Associates, chartered accountants, pursuant to their certificate dated April 4, 2022.

The table below provides an overview of our ongoing residential projects, as of December 31, 2021:

Project / Cluster Name	Location	Total SaleableArea (million square feet)	Total Saleable Area sold (million square feet)	Total SaleableArea unsold (million square feet)	Estimated Pending Costs (₹ in million)	Sold Receivables (₹ in million)	Average Selling Price (₹ per square feet)
Blu Estate & Club, Worli / Phase 2	Mumbai	0.9	0.0	0.9	9,070.0	-	29,853
Indiabulls Park, Panvel / Phase 2	Mumbai	4.8	3.7	1.2	12,010.0	11,666.3	4,053
One Indiabulls Thane	Mumbai	2.6	0.5	2.1	11,850.0	2,990.3	6,967
One Indiabulls, Gurugram	NCR	3.8	0.2	3.6	11,610.0	926.3	5,361

Note: The details in the table above in relation to total Saleable Area, total Saleable Area sold, total Saleable Area unsold, estimated pending costs have been confirmed by Chaitali Maruti Desai, independent architect, pursuant to the certificate dated April 4, 2022. The details in the table above in relation to sold receivables and average selling price have been confirmed by MRKS and Associates, chartered accountants, pursuant to their certificate dated April 4, 2022.

Our Planned Residential Projects

Our planned residential projects are spread across several locations in NCR, Mumbai and Indore. The land parcels for all of these planned residential projects are fully paid for and owned by the Company .

In relation to the land parcels we own, we may develop our planned residential projects, subject to receipt of all relevant approvals and other considerations. Alternatively, we may elect to carry out opportunistic sales of our planned residential projects.

The table below provides an overview of our planned residential projects, as of December 31, 2021:

Project Name	Location	Total Saleable Area (million square feet)
Silverlake Villas, Alibaug	Mumbai	0.3
Indiabulls Golf City, Savroli	Mumbai	3.8
Centrum, Indore	Indore	2.1

Note: The details in the table above in relation to total Saleable Area have been confirmed by Chaitali Maruti Desai, independent architect, pursuant to the certificate dated April 4, 2022.

Set out below is a brief description of certain of our residential projects:

Blu Estate & Club, Worli



Blu Estate & Club is a project comprising luxury apartments on prime land in Worli, South Mumbai. The project comprises four residential towers and greenery. We have received occupation certificates for all four residential towers of the project. Blu Estate & Club is located in close proximity to the financial hubs of South Mumbai, Worli Sea Face, Mahalaxmi race course, Four Seasons hotel and St. Regis hotel. Amenities for this project include double-height grand entrances for each residential tower with a business lounge, football field, two tennis courts, an indoor heated pool, a clubhouse with spa, a fitness centre, kids' play area, a dedicated jogging and walking track, manicured lawns, a banquet hall and outdoor lawns for events.

One Indiabulls, Thane



One Indiabulls, Thane is a residential project with 2.6 million square feet across nine towers in Thane. It is strategically located 5 minutes from the approved Majiwada metro station, abutting the Eastern Expressway, adjacent to Singhania School, Viviana Mall and Jupiter Hospital. This project has a double height grand entrance lobby, a direct view of Yeoor Hills, modular kitchen and air conditioned homes. Amenities include multi-purpose lawn, swimming pool and gymnasium.

Indiabulls Park, Panvel



Indiabulls Park is a project strategically located in Panvel. This project encompasses residential towers. It has multipurpose lawn, a gymnasium and multiple party areas, meditation and yoga center, swimming pool, dedicated play courts for basketball, football and tennis court.

Indiabulls Greens, Panvel



Indiabulls Greens is a project strategically located in Panvel, which is 45 minutes from South Mumbai (via proposed Mumbai Trans Harbour Link), 8 kilometers from the proposed new international airport, has access from National Highway-4 is located in proximity to the Mumbai-Pune Expressway, and is at walking distance from the Somathane railway station. We have received the OC for all 18 residential towers. Amenities for this project include exclusive landscape gardens with kids play area, multipurpose party lawn, cricket pitch, sports facilities such as tennis, squash, badminton, hockey and football , jogging track and a basketball court .

Enigma, Gurugram



Enigma is a residential project located in Sector 110, Gurugram, one of the premium sectors off the Dwarka Expressway, surrounded by premium residential condominiums and luxury retail malls. The entrance of this project is in proximity to 150-meter wide expressway. It close to a large convention center and diplomatic enclave and 20 minutes away from Indira Gandhi airport and Dwarka sector 21 metro station. Amenities include full-feature clubhouse, themed landscapes, high-response security systems, world-class fitness and sports facilities, green architecture, eco-friendly finish, extensive sculptures, and imported marble fixtures.

Indiabulls Golf City, Savroli



Indiabulls Golf City is a residential project with a 6-hole golf course, exclusive apartments with private garden merging into the course and a unique master plan that provides golf course views to every apartment. It has convenient access via Mumbai-Pune expressway after Khalapur Toll Naka near Imagica. Amenities include a gym, library, pool room, multipurpose party lawn, indoor games, lockers, spa, swimming pool, lawn tennis and basketball court.

Centrum Park, Gurugram



Centrum Park is a residential project located in Sector 103, Gurugram. We have received occupation certificates for all units for this project. It offers landscape views, tranquil spaces, serenity, style and comfort. Amenities include a cafeteria, a banquet hall, a business center, a library with a reading lounge, exclusive clubhouse with swimming pool, hi-tech gym, children's play area, tennis and badminton courts, salon, spa and yoga and aerobics lounge.

Indiabulls Sierra, Vizag



Indiabulls Sierra is a residential project built on land purchased from the Vizag Urban Development Authority and the Greater Visakhapatnam Municipal Corporation. This project is strategically located at a distance of 2.5 kilometers from the Vizag information technology special economic zone, easily reachable from National Highway-5, 3 kilometer from Rushikonda Beach, in proximity to local hospitals, the international cricket stadium and an international airport. Facilities include a clubhouse, swimming pool and indoor and outdoor games facility.

Our Commercial Portfolio

We currently undertake office and retail developments under our commercial portfolio, and have completed, ongoing and

planned commercial projects with a Saleable Area of 2.8 million square feet, as of December 31, 2021.

The following table provides an overview of our commercial projects, as of December 31, 2021:

Project Name	Location	Status	Sales status (percentage of Saleable Area sold)	Total Saleable Area (million square feet)
Mega Malls	Jodhpur	Projects with OC	54.0%	0.6
One Indiabulls Park	Vadodara		26.1%	0.2
Indiabulls One 09 Phase 1	NCR	Ongoing	86.8%	0.5
Indiabulls One 09 Phase 2	NCR	Planned	Sales not started	0.6
Arivali, Panvel	Mumbai	Planned	Sales not started	0.8

Note: The details in the table above in relation to total Saleable Area have been confirmed by Chaitali Maruti Desai, independent architect, pursuant to the certificate dated April 4, 2022. The details in the table above in relation to status have been confirmed by MRKS and Associates, chartered accountants, pursuant to their certificate dated April 4, 2022.

We intend to sell all of the above projects.

Set out below is a brief description of certain commercial projects:

Mega Mall, Jodhpur



Mega Mall is a commercial and retail project located on NH-65 Pali Road in Vijaya Raje Nagar, Jodhpur opposite National Geological Survey Office and adjacent to the new Rajasthan High Court. It is located in proximity to a railway station and a bus stand. Mega Mall is the largest retail development in Jodhpur with approximately 600,000 square feet. We have received the occupation certificates for the projects

Indiabulls One 09, Gurugram, Phase 1



Indiabulls One 09 Phase 1 is a commercial and retail project located in Sector 109, Gurugram, off Dwarka Expressway, 3 kilometers from New Delhi and 6 kilometers from the Indira Gandhi International Airport. It is also located in proximity from the Dwarka Sector 21 metro station. It has an open and spacious design and gardens with water features, pathways and easy access to amenities. This project has an integrated complex with food courts, retail shopping and multiplex.

One Indiabulls Park, Vadodara



One Indiabulls Park is a commercial project located near a railway station and a proposed bullet train station. This development has been completed and the OC has been granted. It also has a well-equipped fire safety arrangement. This project offers open and covered parking space, organic waste converter system and 24/7 security system.

Other Development – Sky Forest

Set out below are certain information on Sky Forest, an ultra-luxury residential project.

Project /Cluster Name	Location	Status	Total Saleable Area (million square feet)	Total Saleable Area sold (million square feet)	Total Saleable Area unsold (millionsquare feet)	Estimated Pending Costs (₹ in million)	Sold Receivables (₹ in million)	Average Selling Price (₹ per square feet)
Sky Forest, Lower Parcel	Mumbai	Near completion	1.6	1.3	0.3	2,790.0	8,588.8	18,428

Note: The details in the table above in relation to total Saleable Area, total Saleable Area sold, total Saleable Area unsold, estimated pending costs have been confirmed by Chaitali Maruti Desai, independent architect, pursuant to the certificate dated April 4, 2022. The details in the table above in relation to sold receivables and average selling price have been confirmed by MRKS and Associates, chartered accountants, pursuant to their certificate dated April 4, 2022.

This development offers duplex flats in Lower Parcel, Mumbai and luxurious homes in South Mumbai. It is situated near commercial complexes, hotels, luxury retail stores and premium entertainment hubs. The first residence starts from the 10th floor. Residents enjoy facilities such as pools and a clubhouse.

As of the date hereof, IPPL owns the project, and IPPL is in turn owned by certain third parties. IPPL also owns certain other commercial projects, which are intended to be demerged to another entity pursuant to a scheme of arrangement (which is currently subject to regulatory approvals) (the “**IPPL Demerger**”). There can be no assurance that the IPPL Demerger will be completed in a timely manner or at all. If the IPPL Demerger is not consummated, we would have a right to purchase IPPL (which will then hold only the Sky Forest project) from the then owners of IPPL.

Further, pursuant to Amalgamation, after completion of the IPPL Demerger, IPPL shall be acquired by EOCDPL which will in turn merge with our Company. Accordingly, after giving effect to the Amalgamation, the Sky Forest project shall be transferred to the Amalgamated Company. The Amalgamation is subject to the receipt of regulatory approvals and the completion of conditions precedent. There can be no assurance we will receive such regulatory approvals or complete all conditions precedents in a timely manner or at all. For more information, please see “*Risk Factors – Internal Risk Factors – There is no assurance that the Proposed Merger will be completed in a timely manner or at all*” at page 40 and “*Proposed Merger of NAM Estates and EOCDPL with our Company*” at page 179.

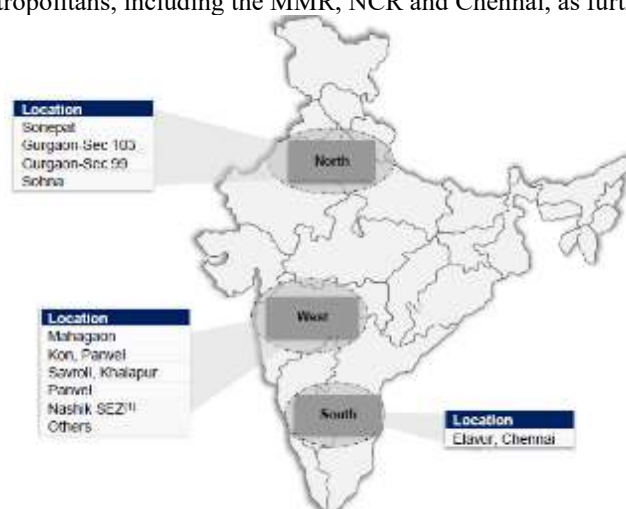
Upcoming Launches

The following projects are scheduled to launch within the financial years 2023 and 2024, subject to receipt of regulatory approvals and other considerations.

Project Name	Location	Micro-market	Land (Acres)	Total Area (million square feet)	Our Share	Saleable Area for launch (million square feet)	Product / Category	Target Launch	Remarks
BLU Estate & Club – Phase 2	Mumbai	Worli	2	0.9	JDA	0.9	High-rise, Ultra luxury	Financial year 2023	Proposed Joint Development Agreement with a leading real estate private equity investor
One Indiabulls Thane - Phase 2	Mumbai	Thane	7	2.6	Wholly owned	2.1	High-rise, Luxury	Financial year 2023	Phased launches
One Indiabulls	Gurugram	Sector 104	25	3.8	Wholly owned	3.6	Residential	Financial year 2023	Re-launch
Indiabulls One 09	Gurugram	Sector 109	6	0.6	Wholly owned	0.6	Retail/Commercial	Financial year 2023	-
Arivali, Panvel	Mumbai	Panvel	4	0.8	Wholly owned	0.8	Retail/Commercial	Financial year 2024	Sub-market Arivali
Sub-total			44	8.7		8.0			

Land banks

We also have one of the largest land banks among listed Indian real estate developers (*Source: Anarock Report*). Our land banks are located near major metropolitans, including the MMR, NCR and Chennai, as further set out in the map below.



⁽¹⁾ We have a 89% economic interest in Nashik SEZ.

We believe our significant land banks allow us to seize potential market opportunities without the need to first spend time and resources locating and acquiring the land. We also have the option to monetize certain part of our land banks in non-core locations, which in turn allows us to focus on enhancing our presence in strategic locations

Key Business Processes

We have established a systematic process for land acquisition, designing and planning, project execution, customer marketing, sales and customer care.

Land Acquisition

We use different ways to acquire land. Land can be acquired through auctions in the market by bidding for the auction or directly through negotiations with the seller. It can also be acquired through acquisition, joint ventures or joint development right arrangements with companies that hold the land parcels. For more information on JV, JDA and DM projects, please see “*Joint Venture, Joint Development and Development Management Projects*” below.

Joint Venture, Joint Development and Development Management Projects

In addition to outright acquisition of land, we also acquire land through JDAs or JVs with landowners of the proposed projects, and in certain cases, with financial investors. We leverage on our strong relationships with these landowners and financial investors and execution expertise to obtain these JDAs and JVs, and we believe that such arrangements allows us to reduce its up-front cost. We also carry out DM projects, whereby we provide end-to-end real estate development services in relation to timely and quality execution, branding, marketing and sales, collections and client management and facilitating financing arrangements

As of the date hereof, we are in the process of negotiating a JDA in relation to Blu Estate & Club – Phase 2 with one of the leading real estate private equity investors. Subject to the finalization of relevant terms, we may enter into a JDA with the relevant real estate private equity investor. There can be no assurance that such JDA will be entered into in a timely manner, or at all.

Design and Planning

As part of our design and planning process, we discuss the relevant assessment report internally and the heads of our internal departments provide their inputs. Further, we submit a project brief in text format to an architect and the architect is responsible for developing the conceptual design of the development. The conceptual design includes master-planning and landscaping with orientation of buildings.

Concept Design

The output of the concept design phase is a master plan with a broad description of the planned development in the form of a presentation. The design development phase involves further detailing of the concept design. Upon finalization of the design drawing, we prepare another set of drawings called “good for construction drawings”. The “good for construction drawings” include minute design details, such as dimensions, wall thickness, window dimensions, air conditioning connections and toilet piping, and are a blueprint of the proposed development.

Design Development

The output of the concept design phase is a master plan with a broad description of the planned development in the form of a presentation. The design development phase involves further detailing of the concept design. Upon finalization of the design drawing, another set of drawings called “good for construction drawings” are prepared. The valid for construction drawings include minute design details, such as dimensions, wall thickness, window dimensions, air conditioning connections and toilet piping, and are a blueprint of the proposed development.

Project Execution

Each project is led by a project head and construction management team. The project planning and execution process commences with the obtaining of requisite statutory and regulatory approvals, including environmental approvals, the approval of building plans, layout plans and occasionally approvals for conversion of agricultural land to commercial or residential land.

Regulatory Approvals

We have a liaison team comprising qualified personnel whose function is to obtain approvals from various statutory authorities. For our projects in the completed, near completion or ongoing categories, we have to obtain the necessary approvals and certificates for the construction and development of our projects.

Site Development and Construction

We have a large construction management team working on various projects that employs advanced construction techniques in our projects. A quality assurance team is present at every project site to carry out checks on all materials used in construction. In order to assist our construction management team, we have installed SAP, an enterprise resource planning (“ERP”) software, which enables the team to keep a constant check on the budgeted cost and actual costs incurred. We have a strong information technology support system, using which we are able to track inventory at different sites and improve our inventory management capabilities. We have a team of project engineers who manage and coordinate site development and construction activities.

Our terms with contractors generally require them to obtain necessary approvals, permits and licenses for their part of work and contain a standard defect liability period from takeover by our Company of their executed work.

Customer Marketing

Market Research

We rely on market research reports prepared by market research companies when assessing the nature of the project contemplated and the price at which the proposed property is likely to sell, given our target customer groups for a project of that particular type and location. Our team uses such information, the estimated cost of acquisition of the land and other project development expenses, amongst other relevant factors, to evaluate the project.

Marketing and Branding

Our marketing team is divided into various cells, including brand management, customer and market insights and digital marketing. Our brand management team focuses on establishing our corporate and product brands. The team has brand managers who are responsible for media planning and executing marketing campaigns. Our customer and market insights team relies on detailed market studies and surveys to understand various locations. Our digital marketing team creates brand awareness and lead generation via digital and social media across brands. We have carried out several digital media led branding campaigns.

Advertising

We carry out most of our advertising through our channel partners, utilizing a push strategy which aims to actively promote and raise awareness of our developments. We also place ads on print media at regular intervals to promote brand/project recall.

Sales

We sell our apartments using direct sales teams and through channel partners. We also have teams, which are focused on outstation markets. Our sales team is divided into various verticals, namely MMR and NCR. In addition, we have recently adopted a digital sales channel, pursuant to which a prospective customer is provided with the project related information through virtual meets as well as one-on-one meetings with our sales manager prior to the site visit.

Safety Measures

The structural design and construction of our buildings are certified by way of a structural stability certificate which attests to the completion of the structural works of the relevant building based on site visits, the review of shop drawings, and letters of completion issued by contractors.

We organize periodic fire safety and evacuation mock drills at our projects to improve fire safety awareness. Additionally, inspections of our fire safety systems and equipment are carried out at regular intervals to ensure their operational effectiveness.

To ensure safety against flooding, we adopt suitable design measures, including the provision of storm water drainage systems and raised plinth levels in the buildings.

We have employed various measures and technologies to maximize the life of buildings, such as use of quality waterproofing of terraces, toilets and kitchens, use of quality textured paint to ensure that the walls remain leak proof for a longer period, use of quality marble, sanitary ware and chrome plated fitting in the bathrooms to avoid water damage.

Environmental Matters

We are subject to various mandatory national, state and municipal environmental laws and regulations in India including the coastal regulation zone laws. Our operations are also subject to inspections by government officials with regard to various environmental issues. In addition to compliance with the requisite environment laws, we have chosen to take a lead on environmentally sustainable development.

Technology

We have implemented applications to manage and automate our business processes to achieve higher level of efficiency, data

integrity and data security. Some of our initiatives include the deployment of machines to substitute manual work, using LED lighting for the common areas in our developments and office buildings and using timers for external lighting and basement lighting in some of our projects configured to cater for peak and non-peak hours. We promote the use of electronic means of communication with our shareholders by sending electronic communication for confirmation of payments and other similar purposes. We also encourage the use of electronic mode of communications to and from all our stakeholders. Soft copies of the annual report(s) along with the notice convening the Annual General Meeting(s) are sent to our shareholders to minimize the cost and usage of paper.

We make extensive use of information and communication technologies for the execution and management of our projects. We use ERP software to take care of processes in budgeting, construction management, procurement, accounts and finance, and human resources, and a cloud-based global sales tool to meet our customer relationship management requirements.

Insurance

We believe that we have robust risk management processes in place. Our insurance policies cover risks which we envisage for each project, which may include physical loss or damage. We also procure policies relating to employee welfare and employee related liabilities.

Competition

The real estate development industry in India, while fragmented, is highly competitive. Our competitors include real estate developers such as Godrej Properties Limited, Oberoi Realty Limited, Piramal Realty Private Limited, DIF Limited, Prestige Estates Projects Limited, Wadhwa Group Holdings Private Limited, Dosti Realty Limited, Hiranandani Constructions Private Limited, L&T Realty Limited, Rustumjee Constructions Private Limited, TATA Realty and Infrastructure Ltd and Tata Housing Development Company Limited (*Source: Anarock Report*).

Awards and Accolades

We have received several awards and recognition including:

- Top Selling Project in 2020 Mumbai – CRE Matrix, January 2021
- Asia's most promising brand for the category of Real Estate - World Consulting and Research Corporation, 2017
- Developer of the Year (Luxury) – National Awards for Marketing Excellence (Excellence in Real Estate & Infrastructure), 2017 (Indiabulls Real Estate)
- Luxury Project of the Year to Blu Estate and Club – National Awards for Marketing Excellence (Excellence in Real Estate & Infrastructure), 2017 (Blu Estate & Club)

Employees

As of December 31, 2021, our business had 556 permanent employees across various functions.

Corporate Social Responsibility (“CSR”)

We have adopted a Corporate Social Responsibility policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. Our CSR efforts focus on areas that could provide benefits to the society at large such as improving awareness of communities towards education, health and rural development. We also undertook CSR special projects during COVID-19 pandemic. For instance, Indiabulls Foundation, in association with Gurugram administration, has donated COVID relief materials.

Some of our CSR programs include Jan Swasthya Kalyan Vahika (“**JSK**”), a mobile community healthcare project providing free primary healthcare services to the underprivileged population in urban slums with JSK-mobile medical vans. Our Indiabulls Foundation has also awarded scholarships to students to pursue further education.

In addition, we have implemented rain water harvesting across our projects. Further, we have installed solar energy plants in tribal schools across Maharashtra to provide electricity to these schools. As part of our environmental initiatives, we have implemented organic waste management control across our projects.

Properties

Our corporate office is at WeWork Vaswani Chambers, 264/265, Dr. Annie Besant Road, Worli, Mumbai – 400025, Maharashtra, located on leased premises, and our registered office is at Plot No. 448-451, Udyog Vihar, Phase V, Gurugram – 122016, Haryana, located on leased premises.

BUSINESS OF THE AMALGAMATING GROUP

Certain information contained in this section is taken from the report titled “Real Estate Industry Report”, dated April 4, 2022 prepared by Anarock Property Consultants Private Limited and commissioned and paid for by the Indiabulls Real Estate Limited from Anarock (the “Anarock Report”). Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Overview

NAM Estates, Embassy One, Summit, Embassy East and EOCDPL, in addition to their respective subsidiaries (together, the “Amalgamating Group”) are engaged in the business of construction and development of real estate projects (both residential and commercial) and related consulting services, related management services, leasing properties, making investment in joint developments, investing in companies/firms which undertake real estate development projects.

As of the date of this Placement Document, the Amalgamating Group is part of the Embassy Group and the shareholding of the Amalgamating Group is ultimately and indirectly owned by Mr. Jitendra Virwani and his immediate family. The Embassy Group is one of the leading real estate developers in India known for its execution skills and strategic relationships with leading institutional investors and financial institutions. The chairman and managing director of the Embassy Group is Mr. Jitendra Virwani.

The Amalgamating Group’s assets comprise 14 residential, commercial and mixed use development projects, which are focused regionally in Bengaluru and are also situated in Chennai and Mumbai. Certain of these projects in turn comprise of multiple sub-projects in their respective stages of completion. These projects are associated with well-established brand names including “Embassy Edge”, which is known for high-end and mid-end housing projects and “Embassy” which is known for high-end and luxury housing projects and office spaces.

As of December 31, 2021, the Amalgamating Group has a residential property development portfolio⁴ comprising a gross Saleable Area of 18.8 million square feet of which 0.9 million square feet comprised completed projects, 7.6 million square feet comprised of projects with OC or are near completion, 2.1 million square feet comprised of ongoing projects and 8.2 million square feet comprised planned projects. Most of these projects are in the luxury and premium category. Further, the Amalgamating Group has recently partnered with Columbia Pacific Communities to foray into the senior living segment. Columbia Pacific Communities is India’s largest provider of services to senior living communities and benefits from over 40 years of experience in building, managing and operating senior living communities in India and other countries. The first senior living facility will be located within the Amalgamating Group’s Embassy Springs project.

As of December 31, 2021, the Amalgamating Group has a planned commercial property portfolio⁵ (comprising of projects wholly owned by the Amalgamating Group or the Amalgamating Group’s share of joint venture or, as the case may be, joint development agreement projects) with a total Leasable Area of 42.6 million square feet. All of these projects are located in the peripheral business districts of Bengaluru.

The table below shows the Amalgamating Group’s key operational metrics for the periods indicated:

Particulars	As of and for the nine months ended December 31, 2021	As of and for the financial year ended March 31, 2021
Sales ⁽⁴⁾ (Value in ₹ million)	3,033	4,417
Sales (Saleable Area ⁽¹⁾⁽⁴⁾ in million square feet)	0.3	0.6
Sales ⁽⁴⁾ (number of units)	166.0	386.0
Gross Collections ⁽²⁾ (₹ in million)	2,487.2	2,578.0
Completed ⁽³⁾ Saleable Area (million square feet)	0.9	0.9

Notes:

- (1) Saleable Area means the total carpet area in relation to each project along with appropriate loading to adjust for common areas, service and storage area parking area, area for amenities and other open areas
- (2) Gross collections comprises collections towards residential and commercial units and land, other charges, rebates given to customers, indirect taxes and facility management charges. Includes collections from sales of apartments, plots, land and projects
- (3) The category of “**completed**” projects includes residential and commercial, where the land (or rights thereto) has been acquired, the design development and pre-construction activities have been completed in accordance with the approved business plan of the project and the occupancy certificates have

⁴ Includes residential projects within mixed-used developments.

⁵ Includes commercial projects within mixed-used developments.

been received from the competent authority for all units with respect to towers or buildings in the project and the process of handover of such units has commenced

- (4) For sales in terms of value, area and units considered classification based on active sales as at December 31, 2021

Gross collections, EBITDA, EBITDA Margin and Profit After Tax Margin are not recognized measures under Ind AS or other recognized accounting standards.

Competitive Strengths

The Amalgamating Group's key competitive strengths are set out below:

Strong presence in the Bengaluru market

The Bengaluru market is one of the "Top Seven Indian Markets", having one of the largest share of supply and absorption, catering to a wide spectrum of income and demography. The "Top Seven Indian Markets" comprise of MMR, Pune, Bengaluru, Hyderabad, the NCR, Chennai and Kolkata (*Source: Anarock Report*). Bengaluru is regarded as the "Silicon Valley of India". Bengaluru has achieved first place in India for the Ease of Living Index, first place in India for Global Talent Competitiveness Index and second place among Indian cities in the City Momentum Index in 2020 (*Source: Anarock Report*). In addition, post 2016 until December 31, 2021, absorption of residential unit grew steadily and outpaced supply of residential units in Bengaluru (*Source: Anarock Report*).

Based on the abovementioned factors, the Bengaluru market has significant depth of demand for real estate developments across price points. Further, the Bengaluru real estate market requires extensive knowledge of the regulatory and approval processes required for developing a project. As a result of the Amalgamating Group's portfolio of projects, industry knowledge and familiarity with the regulatory environment in South India, the Amalgamating Group has attained a strong presence in the Central Business District, East and North Bengaluru, with the largest share of supply (by units), absorption (by value) and completion (by area) of residential and commercial developments, among the five largest developers in these micro-markets (*Source: Anarock Report*).

The Amalgamating Group has several planned projects in Bengaluru, which it believes will enable it to have a robust launch pipeline over the next few years. As of December 31, 2021, the Amalgamating Group has nine planned residential development projects⁶ (comprising of projects wholly owned by the Amalgamating Group or the Amalgamating Group's share of joint venture or, as the case may be, joint development agreement projects) with a Saleable Area of 6.0 million square feet and six planned commercial development projects⁷ (comprising of projects wholly owned by the Amalgamating Group or the Amalgamating Group's share of joint venture or, as the case may be, joint development agreement projects) with a Gross Leasable Area of 42.6 million square feet within Bengaluru. In addition, as of December 31, 2021, the Amalgamating Group had four residential projects⁸ which were near completion or have attained OC, with a gross Saleable Area of 4.6 million square feet within Bengaluru. This allows the Amalgamating Group to cater for end customers whose preference is to new units which are near completion or have attained OC.

List of the Amalgamating Group's Flagship Residential Projects in Bengaluru

Project name	Micro market	Gross Developable Area (in million square feet)
Embassy Lake Terraces, Hebbal ⁹	North	2.2
Embassy Boulevard, Yelahanka	North	1.0
Embassy Grove, Old Airport Road	East	0.5
Embassy Springs Plots, Airport Road	Central	2.8
Embassy One, Bellary Road	East	0.5
Embassy Pristine, Bellandur	North	0.9

Note: The details in the table above in relation to gross Developable Area have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022.

One of the Amalgamating Group's flagship projects in Bengaluru is Embassy Springs, a residential township Project located at Kempegowda International Airport Road, Devanahalli Bengaluru. This mixed development project comprises luxury, premium and mid-end housing projects in addition to commercial properties. Embassy Springs was awarded "Best Integrated Township Project" by Times Business Award in 2020.

⁶ Includes residential projects within mixed-used developments.

⁷ Includes commercial projects within mixed-used developments.

⁸ Includes residential projects within mixed-used developments.

⁹ The Amalgamating Group owns 63.7% economic interest in the project.

Assets with well-established branding, resulting in premium pricing and ability to sell throughout the construction phase

A strong and recognizable brand is a key attribute in the real estate industry, since it increases customer confidence, influences buying decision and helps target premium pricing for products. The Amalgamating Group's projects are associated with established brand names including "Embassy Edge", which is known for premium and mid-end housing projects and "Embassy" which is known for premium and luxury housing projects and office spaces.

The Amalgamating Group leverages on the brand value of its assets and focuses on selling and leasing sizeable percentage of units throughout the construction phase of its projects. Such sales help reduce the need for construction finance and enable the Amalgamating Group to achieve optimal returns on its projects.

The following table sets forth details of the Saleable Area sold with respect to the Amalgamating Group's ongoing residential development projects and residential projects with OC or are near completion¹⁰.

Project Name	Status	Gross Saleable Area (million square feet)	Saleable Area sold, as of December 31, 2021 (million square feet)	% of Saleable Area sold, as of December 31, 2021
Embassy Residency - Phase 1, Perumbakkam ¹¹	Project with OC or is near completion	1.1	1.1	98
Embassy Grove, Old Airport Road	Project with OC or is near completion	0.5	0.2	48
Embassy Boulevard, Yelahanka	Project with OC or is near completion	1.0	0.7	78
Embassy Lake Terraces, Hebbal	Project with OC or is near completion	2.2	1.1	51
Embassy Springs Plots, Airport Road	Project with OC or is near completion	2.8	2.3	82
Embassy One, Bellary Road	Ongoing project	0.5	0.1	20
Embassy Springs Town Centre Plots, Airport Road	Ongoing project	0.5	0.0	5
Embassy Edge at Embassy Springs - Phase 1, Airport Road	Ongoing project	0.9	0.7	77

Note: The details in the table above in relation to total Saleable Area have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022. The details in the table above in relation to Saleable Area sold have been confirmed by NVSM & Associates, chartered accountants, pursuant to their certificate dated April 7, 2022.

Assets characterised by strong sustainability features

The Amalgamating Group follows a comprehensive approach to sustainable development from an early design phase through the construction period and works closely with designers to achieve sustainable designs and operations of its developments. Many of its developments have been designed with sustainable features such as rain water harvesting and solar water heaters and green landscaping. The Amalgamating Group believes that these sustainability features may lead to reduction in water and operating energy costs during the entire lifecycle of its buildings.

Four of the Amalgamating Group's projects, namely Embassy Lake Terraces, Embassy Pristine, Embassy Boulevard and Embassy Grove have achieved the nationally recognized IGBC Green Homes rating awarded by the Indian Green Building Council.

Scalable business model and long-standing relationships with consultants, contractors and strategic partners

The Amalgamating Group has a relatively lean organizational and staff structure. The Amalgamating Group has developed in-house competencies for key stages in a real estate development life cycle, comprising of the following:

- business development inception, which involves identification of parcels of land and the conceptualization of the development;
- land acquisition;
- liaisoning, which includes liaising with the relevant government bodies on regulatory approvals, and coordinating between

¹⁰ Includes residential projects within mixed-used developments.

¹¹ The Amalgamating Group owns 78% economic interest in the project.

- architects, consultants and other professional third parties;
- procurement, including procurement of materials for the project; and
- marketing and sales/leasing with its channel partners.

In addition to the Amalgamating Group's in-house competencies, the Amalgamating Group also outsources certain activities of the real estate development process to external professionals with specializations to match its wide range of operations, such as interior designers, project managers and engineers for the development and management of its properties. The Amalgamating Group believes that outsourcing these activities to external professionals and keeping its organizational and staff structure lean have allowed it to increase the scale of its operations, while ensuring that it carries on its existing operations in an efficient and timely manner.

It also believes that by establishing and nurturing relationships with leading companies in the various fields of real estate project development, it is able to leverage on their specialized experience, expertise and manpower. In addition, selective outsourcing to consultants and contractors facilitates effective capital and cash management, and reduces its overheads.

The Amalgamating Group has long-standing relationships with engineers, civil contractors, and electrical contractors. These relationships enable the Amalgamating Group to better negotiate services from these consultants and contractors. It believes this outsourcing model is key to the successful development of its projects.

The Amalgamating Group also has strategic partnerships with leading institutional investors to attract equity capital, in addition to existing banking relationships with leading financial institutions. Set out below is a list of projects between the Amalgamating Group and certain strategic investors:

- *Embassy Bayview* – The Amalgamating Group entered into its first residential project in Mumbai amounting to 0.5 million square feet by way of a joint development agreement with the Naman Group. The Amalgamating Group share amounted to 0.3 million square feet.
- *Embassy Springs* – The Amalgamating Group partnered with Columbia Pacific Communities to foray into the senior living segment by partnering with Columbia Pacific Communities to develop Serene Amara at Embassy Springs, a project with Saleable Area amounting to 0.3 million square feet. The Amalgamating Group's share in the project amounted to 0.1 million square feet.
- *Alternative Investment Fund (office development platform)* – The Amalgamating Group and a leading Canadian institutional fund launched AIF, an office development platform with an investment capacity of up to US\$ 500 million. The same Canadian institutional fund and the Amalgamating Group will be investing in an 80:20 ratio.

Strong execution expertise

The Amalgamating Group also has established effective cost management measures to constantly monitor its projects to ensure that costs remain within budgeted amounts. The Amalgamating Group also has experience in carrying out detailed analysis and market research to track market trends to enable the Amalgamating Group to position its projects appropriately in terms of location and income segment. The Amalgamating Group's in-house marketing and communication team has created a cohesive marketing strategy designed to secure and build brand value and awareness while meeting with specific customer needs keeping in mind operational efficiency. The Amalgamating Group's sales and leasing team has dedicated sub-teams to focus on different categories of client segments. Further, the Amalgamating Group also has a dedicated and experienced projects team. The Amalgamating Group believe that its ability to anticipate the requirements of its customers and to provide them with essential after-sales services increases customer satisfaction levels.

The Amalgamating Group's understanding of the relevant real estate market, positive customer perception, product innovation, innovative design and marketing and branding strategies enabled it to attract customers. Over time, the Amalgamating Group has demonstrated its nimbleness in launching new projects once the land (or land development rights) has been acquired.

The Amalgamating Group believes that its execution capabilities comprising strong in-house competencies as supplemented by long standing relationships with external professionals is a critical factor that has contributed to its leading position. For more information, see "*Competitive Strength - Scalable business model and long-standing relationships with consultants and contractors*" above.

Established track record in Joint Development Agreement and Joint Venture Projects

The Amalgamating Group carries out certain real estate developments through JDAs or JVs with landowners of the proposed projects, and in certain cases, with financial investors. The Amalgamating Group believes that such arrangements allows the

Amalgamating Group to reduce its up-front cost.

Set out below is a list of the Amalgamating Group's JDA and JV projects:

Project Name	Segment	Location	Gross Developable Area (million square feet)	Amalgamating Group's Economic Interest	Nature
Embassy Residency - Phase 1, Perumbakkam	Residential	Chennai	1.1	78%	JV
Embassy Lake Terraces, Hebbal	Residential	Bengaluru	2.2	64%	JDA
Embassy Bayview, Juhu	Residential	Mumbai	0.5	65%	JDA
Serene Amara at Embassy Springs, Airport Road	Residential	Bengaluru	0.3	50%	JV
Senior Living at Embassy Springs - Phase 2, Airport Road	Residential	Bengaluru	0.2	50%	JV
Embassy Prism, Whitefield	Commercial	Bengaluru	0.5	68%	JDA
Embassy East Business Park, Whitefield - Phase 1	Commercial	Bengaluru	1.4	20%	JV
Embassy Cornerstone Tech Valley, Varthur	Commercial	Bengaluru	12.5	74%	JDA

Note: The details in the table above in relation to gross Developable Area and the Amalgamating Group's economic interest of Embassy Bayview have been confirmed by EngiArch Consultants, independent architect, pursuant to its certificate dated February 10, 2022. The details in the table above in relation to gross Developable Area and the Amalgamating Group's economic interest of projects other than Embassy Bayview have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022.

The Amalgamating Group's Business

The Amalgamating Group is engaged in the business of (a) construction and development of real estate projects (both residential and commercial) and related consulting services, related management services, leasing properties; and (b) making investment in joint developments and investing in companies/firms which undertake real estate development projects

For the purpose of describing the Amalgamating Group's business, the Amalgamating Group's projects have been classified into the following categories: (i) completed projects, (ii) ongoing projects, (iii) projects with OC or near completion, and (iv) planned projects.

The Amalgamating Group's businesses can be classified into the following:

Residential Projects, consisting of:

- Ultra-luxury category. The ultra-luxury category is broadly categorized to have a ticket size of above ₹ 25.0 million;
- Luxury category. The luxury category is broadly categorized to have a ticket size of ₹ 15.0 million to ₹ 25.0 million;
- High-end category. The high-end category is broadly categorized to have a ticket size of ₹ 8.0 million to ₹ 15.0 million; and
- Mid-end category. The mid-end category is broadly categorized to have a ticket size of between ₹ 4.0 million to ₹ 8.0 million; and

As of December 31, 2021, the Amalgamating Group's assets comprised nine residential, three commercial and two mixed use development projects.

As of December 31, 2021, the Amalgamating Group's nine residential projects were Embassy Pristine, Embassy Lake Terraces, Serene Amara at Embassy Springs, Embassy Edge at Embassy Springs, Embassy Boulevard, Embassy Residency, Embassy Grove, Embassy One and Embassy Bayview. As of the same date, the Amalgamating Group's three commercial projects comprised of Embassy Prism, Embassy Cornerstone Tech Valley and Embassy East Business Park. Each of these projects are further described in "Description of the Amalgamating Group's Projects" below. In addition, each of these projects comprised of their respective sub-projects, which were in different phases of development. Details of these sub-projects (including their respective phases of developments) are set out in the "The Amalgamating Group's Residential Projects" and "The Amalgamating Group's Commercial Projects" below. The table below provides an overview of these residential and commercial projects, as of December 31, 2021:

Particulars	Developable Area	Saleable Area sold	The Amalgamating Group's Share of

	(million square feet)	(million square feet)	unsold Saleable / leasable area (million square feet)
Residential Projects			
Completed Projects	0.9	0.9	-
Projects with OC or near completion	4.8	3.1	1.2
Ongoing Projects	1.4	0.8	0.6
Planned Projects	4.6	-	4.1
Total for Residential Projects	11.7	4.8	5.9
Commercial Projects			
Planned Projects	22.3	-	17.8
Total for Commercial Projects	22.3	-	17.8

As of December 31, 2021, the Amalgamating Group's inventory included two mixed use developments namely Embassy Springs and Embassy Knowledge Park. Each of these mixed development projects are described in “*Description of the Amalgamating Group's Projects*” below. Each of these projects comprise of their respective sub-projects, which are in different phases of development. Details of these sub-projects (including their respective phases of developments) are set out in the “*The Amalgamating Group's Mixed Development Projects*” below. The tables below provides an overview of the these mixed development projects, as of December 31, 2021

Particulars	Residential			Commercial	
	Developable Area (million square feet)	Saleable Area sold (million square feet)	The Amalgamating Group's Share of unsold Saleable Area (million square feet)	Leasable Area (million square feet)	The Amalgamating Group's Share of leasable area (million square feet)
Projects with OC or near completion	2.8	2.3	0.5	-	-
Ongoing Projects	0.7	0.0	0.7	-	-
Planned Projects	3.6	-	3.6	24.8	24.8
Total Mixed Development Projects	7.1	2.3	4.8	24.8	24.8

The Amalgamating Group either owns the abovementioned projects or holds a specified economic interest in them pursuant to joint venture, joint development or as the case may be, development management arrangements with their respective landowners or financial investors, as indicated below. Please see “*Joint Venture, Joint Development and Development Management Projects*” below for more information.

The Amalgamating Group's Residential Projects

As of December 31, 2021, the Amalgamating Group's residential projects constituted 34.4% of Developable Area of its total projects. Its flagship projects include Embassy Pristine, Embassy Lake Terraces, Embassy Edge at Embassy Springs, Embassy Boulevard, Embassy Residency, Embassy Grove, Embassy One and Embassy Bayview.

The Amalgamating Group's Completed Residential Projects

The Amalgamating Group has one completed residential project with a Saleable Area of 0.9 million square feet, as of December 31, 2021.

The table below provides an overview of the Amalgamating Group's completed residential project that was fully sold out, as of December 31, 2021:

Project name	Location	Category	Micro market	Saleable Area (in million square feet)	Project Start date	Project Completion date
Embassy Pristine	Bengaluru	Luxury	SBD	0.9	2011	2016

Note: The details in the table above in relation to gross Saleable Area have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022.

The Amalgamating Group's Residential Projects with OC or are near completion

The tables below provides an overview of the Amalgamating Group's residential projects with OC or are near completion (including residential projects to be transferred to the Amalgamating Group pursuant to the Amalgamation), as of December 31, 2021:

Project name	Location	Category	Micromarket	Total units	Gross Saleable Area (million square feet)	Total units sold	Gross Saleable Area sold (million square feet)	Total units unsold	Gross Saleable Area unsold (million square feet)	The Amalgamating Group's Share		
										Saleable Area unsold (million square feet)	Sold Receivables (₹ in million)	Estimated Pending Costs as of December 31, 2021 (₹ in million)
Embassy Residency - Phase 1, Perumbakkam ¹²	Chennai	Mid-end	East	931	1.1	917	1.1	14	0.0	0.0	85	27
Embassy Grove, Old Airport Road	Bengaluru	Luxury	East	106	0.5	51	0.2	51	0.3	0.3	645	700
Embassy Boulevard, Yelahanka	Bengaluru	Luxury	North	167	1.0	131	0.7	36	0.2	0.2	2,000	510
Embassy Lake Terraces, Hebbal ¹³	Bengaluru	Luxury	North	467	2.2	249	1.1	218	1.1	0.7	876	1,177
Total	-	-	-	1,671	4.8	1,348	3.1	319	1.6	1.2	3,606	2,414

Note: The details in the table above in relation to gross Saleable Area and the Amalgamating Group's share of estimated pending costs have been confirmed by Jayant Vaitha, independent architect, pursuant to his

- ¹² The Amalgamating Group owns 77.7% economic interest in this joint venture project.
- ¹³ The Amalgamating Group owns 63.7% economic interest in this joint development agreement project.

certificate dated April 6, 2022. The details in the table above in relation to gross Saleable Area sold and sold receivables have been confirmed by NVSM & Associates, chartered accountants, pursuant to their certificate dated April 7, 2022.

Ongoing Projects

The tables below provides an overview of the Amalgamating Group's ongoing residential projects (including residential projects to be transferred to the Amalgamating Group pursuant to the Amalgamation), as of December 31, 2021:

Project name	Location	Category	Micromarket	Total units	Saleable Area (million square feet)	Total units sold	Saleable Area sold (million square feet)	Total units unsold	Saleable Area unsold (million square feet)	Sold Receivables as of December 31, 2021 (₹ in million)	Estimated Pending Cost as of December 31, 2021 (₹ in million)
Embassy One, Bellary Road	Bengaluru	Ultra-luxury	North	109	0.5	33	0.1	76	0.4	478	1,350
Embassy Edge at Embassy Springs - Phase 1, Airport Road	Bengaluru	Mid-end	North	826	0.9	651	0.7	175	0.2	3,607	2,645
Total	-	-	-	935	1.4		0.8		0.6	4,085	3,995

Note: The details in the table above in relation to gross Saleable Area and the Amalgamating Group's share of estimated pending costs have been confirmed by Jayant Vaiha, independent architect, pursuant to his certificate dated April 6, 2022. The details in the table above in relation to gross Saleable Area sold and sold receivables have been confirmed by NVSM & Associates, chartered accountants, pursuant to their certificate dated April 7, 2022.

Planned Residential projects

The Amalgamating Group's planned residential projects (including planned residential projects to be transferred to the Amalgamating Group pursuant to the Amalgamation) are spread across several micro-markets in Bengaluru, Chennai and Mumbai. The land parcels with respect to the Amalgamating Group's planned residential projects have been fully paid up.

The table below provides an overview of the Amalgamating Group's planned residential projects (including planned residential projects to be transferred to the Amalgamating Group pursuant to the Amalgamation), as of December 31, 2021:

Project name	Location	Category	Micro-market	Land Area (acres)	Gross Saleable Area (million square feet)	The Amalgamating Group's Share of Saleable Area (million square feet)
Embassy Bayview ¹⁴	Mumbai	Ultra-Luxury	West	3	0.5	0.3
Embassy Residency - Phase 2, Perumbakkam	Chennai	Mid-end	South	8	1.4	1.4
Serene Amara at Embassy Springs, Airport Road ¹⁵	Bengaluru	Mid-end	North	2.5	0.3	0.1
Senior Living at Embassy Springs - Phase 2, Airport Road ¹⁶	Bengaluru	High-end	North	2	0.2	0.1
Embassy Edge at Embassy Springs - Phase 2, Airport Road	Bengaluru	Mid-end	North	6	0.5	0.5
Embassy Edge at Embassy Springs - Phase 3 & 4, Airport Road	Bengaluru	Mid-end	North	20	1.7	1.7
Total				41.5	4.6	4.1

Note: The details in the table above in relation to land area, gross Saleable Area and the Amalgamating Group's share of Saleable Area for projects other than Embassy Bayview have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022. The details in the table above in relation to land area, gross Saleable Area and the Amalgamating Group's share of Saleable Area for Embassy Bayview have been confirmed by EngiArch Consultants, independent architect, pursuant to its certificate dated February 10, 2022.

The Amalgamating Group's Commercial Projects

The Amalgamating Group currently undertakes office developments under its commercial portfolio.

As of December 31, 2021, the Amalgamating Group did not have any completed or planned commercial projects.

Planned Commercial Projects

The following table provides an overview of the Amalgamating Group's planned commercial projects (including planned commercial projects to be transferred to the Amalgamating Group pursuant to the Amalgamation), as of December 31, 2021:

Project name	Location	Micromarket	Gross Leasable Area (in million square feet)	The Amalgamating Group's Share of Leasable Area (million square feet)
Embassy East Business Park	Whitefield, Bengaluru	East	9.3	8.2
Embassy East Business Park,	Whitefield,	East	1.4	0.3

¹⁴ The Amalgamating Group owns 65% economic interest in the joint development agreement project.

¹⁵ The Amalgamating Group owns 50% economic interest in the joint venture project.

¹⁶ The Amalgamating Group owns 50% economic interest in the joint venture project.

Project name	Location	Micromarket	Gross Leasable Area (in million square feet)	The Amalgamating Group's Share of Leasable Area (million square feet)
Whitefield - Phase 1 ¹⁷	Bengaluru			
Embassy East Business Park, Whitefield - Phase 2	Whitefield, Bengaluru	East	7.9	7.9
Embassy Cornerstone Tech Valley ¹⁸	Varthur, Bengaluru	East	12.5	9.2
Embassy Prism ¹⁹	Whitefield, Bengaluru	East	0.5	0.4
Total	-	-	22.3	17.8

Note: The details in the table above in relation to land area, gross Leasable Area and the Amalgamating Group's share of Leasable Area have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022.

The Amalgamating Groups Mixed Development Portfolio

This mixed development project comprises housing projects in addition to commercial properties.

As of December 31, 2021, the Amalgamating Group did not have any completed mixed development project.

¹⁷ The Amalgamating Group owns 20% economic interest in the joint venture project.

¹⁸ The Amalgamating Group owns 74% economic interest in the joint development agreement project

¹⁹ The Amalgamating Group owns 68% economic interest in the joint development agreement project.

The Amalgamating Group's mixed development projects with OC or is near completion

As of December 31, 2021, the Amalgamating Group had one mixed development project with OC or is near completion (including projects to be transferred to the Amalgamating Group pursuant to the Amalgamation). The table below provides an overview of such project.

Project name	Location	Category	Micromarket	Total units	Gross Saleable Area (million square feet)	Total units sold	Gross Saleable Area sold (million square feet)	Total units unsold	Gross Saleable Area unsold (million square feet)	The Amalgamating Group's Share		
										Saleable Area unsold (million square feet)	Sold Receivables (₹ in million)	Estimated Pending Costs as of December 31, 2021 (₹ in million)
Embassy Springs Plots, Airport Road	Bengaluru	High-end Residential	North	806	2.8	720	2.3	86	0.5	0.5	2,006	3610

Note: The details in the table above in relation to gross Saleable Area and estimated Pending Costs have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022. The details in the table above in relation to gross Saleable Area sold, Saleable Area unsold and the Amalgamating Group's share of sold receivables have been confirmed by NVSM & Associates, chartered accountants, pursuant to their certificate dated April 7, 2022.

The Amalgamating Group's ongoing mixed development projects

The tables below provides an overview of the Amalgamating Group's ongoing mixed development projects (including projects to be transferred to the Amalgamating Group pursuant to the Amalgamation), as of December 31, 2021:

Project name	Location	Category	Micromarket	Total units	Saleable Area (million square feet)	Total units sold	Saleable Area sold (million square feet)	Total units unsold	Saleable Area unsold (million square feet)	Sold Receivables as of December 31, 2021 (₹ in million)	Estimated Pending Cost as of December 31, 2021 (₹ in million)
Embassy Springs											
- Town Centre Plots, Airport Road	Bengaluru	High-end Residential	North	142	0.5	10	0	132	0.5	161	242
- Estate Plots, Airport Road	Bengaluru	High-end Residential	North	16	0.2	-	0	16	0.2	-	30
Total	-	-	-	158	0.7	10	0	148	0.7	161	272

Notes: The details in the table above in relation to gross Saleable Area and estimated Pending Costs have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022. The details in the table above in relation to gross Saleable Area sold, Saleable Area unsold and the Amalgamating Group's share of sold receivables have been confirmed by NVSM & Associates, chartered accountants, pursuant to their certificate dated April 7, 2022.

The Amalgamating Group's Planned Mixed Development Projects

The table below provides an overview of the Amalgamating Group's planned mixed development projects (including planned residential projects to be transferred to the Amalgamating Group pursuant to the Amalgamation), as of December 31, 2021:

Project name	Location	Category	Micro-market	Land Area (acres)	Gross Saleable/Leasable area (million square feet)	The Amalgamating Group's Share of Developable Area (million square feet)
Embassy Knowledge Park ⁽¹⁾						
- Airport Road Plots	Airport Road, Bengaluru	High-end Residential	North	40	1.0	1.0
- Airport Road Apartments	Airport Road, Bengaluru	Mid-end Residential	North	14	1.5	1.5
- Commercial	IVC Road, Bengaluru	Commercial	North	180	21.6	21.6
Embassy Springs						
- Row House	Airport Road, Bengaluru	High-end Residential	North	12	0.3	0.3
- Lakeside Apartments	Airport Road, Bengaluru	High-end Residential	North	15	0.4	0.4
- Front Parcel	Airport Road, Bengaluru	Luxury Residential	North	26	0.4	0.4
- Commercial	Airport Road, Bengaluru	Commercial	North	26	3.2	3.2
					28.4	28.4

Note:

(1) Land is undergoing survey and the Amalgamating Group is pending receipt of the final report from the land surveyors.

(2) The details in the table above in relation to land area, gross Developable Area and the Amalgamating Group's share of Developable Area have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022.

Upcoming Launches

The following projects are scheduled to launch within the financial years 2023 and 2024, subject to receipt of regulatory approvals and other considerations.

Project Name	Location	Micro-market	Land (Acres)	Gross Saleable Area (million square feet)	Nature / the Amalgamating Group's Share	The Amalgamating Group's area of Saleable Area (million square feet)	Product / Category	Target Launch	Partner / Remarks
Embassy Bayview	Mumbai	Juhu	3	0.5	JDA - 65%	0.3	Low-rise, Ultra luxury	Financial year 2023	Naman Group
Serene Amara at Embassy Springs	Bengaluru	Airport Road	2.4	0.3	JV - 50%	0.1	High-rise, Mid-end	Financial year 2023	Columbia Pacific Communities
Embassy Prism	Bengaluru	Whitefield	4	0.5	JDA - 68%	0.4	Commercial	Financial year 2023	-
Senior Living at Embassy Springs – Phase 2	Bengaluru	Airport Road	2	0.2	JV - 50%	0.1	High-rise, Mid-end	Financial year 2024	Columbia Pacific Communities
Total			11	1.5		0.9			

Note: The details in the table above in relation to land area, gross Saleable Area and the Amalgamating Group's share of Saleable Area for projects other than Embassy Bayview have been confirmed by Jayant Vaitha, independent architect, pursuant to his certificate dated April 6, 2022. The details in the table above in relation to land area, gross Saleable Area and the Amalgamating Group's share of Saleable Area for Embassy Bayview have been confirmed by EngiArch Consultants, independent architect, pursuant to its certificate dated February 10, 2022.

Near Term Focus

The Amalgamating Group's focus in the near term are set out below:

Completion and sales of projects with OC or are near completion, or ongoing projects amounting to 3.0 million square feet, including Embassy One, Embassy Lake Terraces, Embassy Boulevard and Embassy Grove and collection of Sold Receivables of approximately ₹ 9,972 million.

To explore the opportunity to convert part of the Amalgamating Group's planned commercial portfolio into residential developments, which may in turn help the Amalgamating Group realize cashflows more quickly. The Amalgamating Group's share of the Saleable Area amounted to 42.6 million square feet as of December 31, 2021.

To launch 1.5 million square feet of planned residential and commercial projects in MMR and Bengaluru. The Amalgamating Group's share of Saleable Area in these projects amounted to 0.9 million square feet as of December 31, 2021. These planned projects are set out in "Upcoming Launches" above.

To carry out more JDAs, JV and Development Management projects as part of its asset light growth strategy. In addition to its existing track record in JDAs and JVs, the Amalgamating Group aims to execute development management projects, where it provides end-to-end real estate development services in relation to timely and quality execution, branding, marketing and sales, collections and client management and facilitating financing arrangements, in the near term.

Description of the Amalgamating Group's Projects

Set out below is a brief description of certain of the Amalgamating Group's completed, ongoing and planned projects (including residential and commercial projects to be transferred to the Amalgamating Group pursuant to the Amalgamation):

Residential Projects

Embassy Lake Terraces: This project is located in Hebbal, North Bengaluru. Spread across a 14.5 acres with 9 iconic towers and 2.2 million square feet of gross Saleable Area, the design of Embassy Lake Terraces offers a departure from the regular lines of modern architecture. The unique sky deck on the 11th floor, with a host of leisure amenities. In addition, the development offers residents uninterrupted views.



Project visual: Embassy Lake Terraces

Embassy Edge at Embassy Springs: This 38-acre residential project comprises of several projects with a gross Saleable Area of 3.1 million square feet. It is located at Embassy Springs township Navarathna Agrahara Devanahalli Bengaluru. As part of phase 1 of the project, approximately 826 units have been launched. Nestled within Embassy Springs, these homes (including luxury two and three bedroom apartments) are a combination of sustainability and modernity.

Embassy Boulevard: This project spans over 51 acres of land, is located in Hisahalli Hunsamaranahalli, Post Bengaluru North, near Yelahanka Air Force Base and comprises of a gross Saleable Area of 1.0 million square feet. Situated in a secure gated community, these villas come with exclusive features like private elevators, club houses and resort style swimming pools. The project houses these 167 units also includes green spaces and 28 parks. The villas have been designed by Andy Fisher Workshop - an award-winning firm based in Singapore.



Project visual: Embassy Boulevard

Embassy Residency: This project is a 27-acre premium township in Sholinganallur, Chennai with approximately 70% open space and comprises of a gross Saleable Area of 2.5 million square feet. It is strategically located in proximity to a national public school and hospital for its residents and has various amenities and environment-friendly features.

Embassy Grove: This project is spread over 8 acres, comprises of a gross Saleable Area of 0.5 million square feet and 106 duplex and triplex villaments ranging from 4,337 square feet to 6,346 square feet. Each villament comes with a private garden/terrace garden. Every villa also has a private pool with a sundeck. Owners enjoy a series of privileges including professionally managed club houses, property maintenance by Embassy Services and membership to Quintessentially, a leading concierge service.



Project visual: Embassy Grove

Embassy Pristine: This project has a land area of 15 acres and comprises of a gross Saleable Area of 0.9 million square feet. It is located off the Outer Ring Road, just 3 kilometers from Koramangala, with easy access to educational institutions, shopping malls, hospitals and the main IT corridor. Such convenient location minimizes residents' commute to work or school, yet offers residents a pleasant and relaxed lifestyle at home. Designed to achieve IGBC Gold certification, Embassy Pristine includes eco-sensitive features such as smart lighting, solar energy applications, rainwater harvesting, water treatment, among other features.



Project visual: Embassy Pristine

Embassy ONE: This project has a land area of 6.5 acres and comprises of a gross Saleable Area of 0.5 million square feet. The land area includes hotel, office, retail, civic amenities and land given for road widening. It is located near Mekhri Circle, the gateway to North Bengaluru. Spread over 6.5 acres, Embassy ONE combines Four Seasons hospitality and private residences with luxury shopping, gourmet dining and corporate office spaces. This project comprises 109 residences spread across two towers.



Project visual: Embassy ONE complex also comprises hotel asset, owned by Embassy REIT, an affiliate of the Amalgamating Group.

Embassy Bayview: This project has a land area of 2.6 acres and comprises of a gross Saleable Area of 0.5 million square feet. The project is currently in the planning stage.

Serene Amara at Embassy Springs: This project has a land area of 2 acres and comprises of a gross Saleable Area of 0.3 million square feet. The project is currently in the planning stage.

Commercial Projects

Embassy Prism: This project has a land area of 3.8 acres and comprises of a gross Leasable Area of 0.5 million square feet. It is located within the Whitefield region, Bengaluru.

Embassy Cornerstone Tech Valley: This project has a land area of 80 acres and comprises of a gross Leasable Area of 12.5 million square feet.

Embassy East Business Park: This project has a land area of 60 acres and comprises of a gross Leasable Area of 9.3 million square feet. The project has been allotted land for development and setting up of infrastructure facilities by the Karnataka Industrial Areas Development Board.

Mixed Use Development Projects

Embassy Springs: This 288-acre mixed development project is located at Kempegowda International Airport Road, Devanahalli Bengaluru, includes several residential projects with a gross Saleable Area of 10.4 million square feet. A large portion of the land area has been used for greenery, landscaping, water bodies and amenities. The property comprises villa plots, villas, row houses, apartments, schools, hospitals and commercial space of 3.2 million square feet.



Project visual: Embassy Springs

Embassy Knowledge park: This project has a land area of 53.5 acres and comprises of a gross saleable area of 2.6 million square feet.. Embassy Knowledge Park will be an integrated IT park with IT/ITES work spaces and residential and other supporting and allied services such as housekeeping, transport, logistics, travel, tourism and education.

Set out below is a map showing the Amalgamating Group's projects (including projects to be transferred to the Amalgamating Group pursuant to the Amalgamation) in Bengaluru as of December 31, 2021.



Properties

Each Amalgamating Company's registered office is at 1st Floor, Embassy Point 150, Infantry Road Bangalore 560001, Karnataka India, located on leased premises.

OUR STRATEGY

The key elements of strategy are set out below:

Focus on enhancing leadership position in residential developments by growing in the MMR and NCR

- We intend to continue to grow in MMR and NCR where a majority of our ongoing and planned projects are located.
- We intend to complete the remaining phase of the Indiabulls Blu project and our residential projects in Panvel, Savroli, Thane and Gurugram.

Continue to grow our business pursuant to a joint development, joint venture or development management approach

- We intend to leverage market leadership position to grow our business by entering into joint development agreements, joint ventures or development management arrangements with landowners and other smaller developers. We believe that such an approach will enable us to be more capital efficient and reduce our upfront land acquisition costs.
- We intend to follow this strategy in MMR and NCR.

Utilise our land reserves

- We intend to seek opportunities to develop our existing land reserves by developing these as projects.
- We also intend to monetize identified land parcels. For example, on January 25, 2022, we entered into a term sheet regarding the potential sale of a land parcel at Gurugram to a third party for approximately ₹ 5,800 million (the "Disposal"). Subsequently on April 8, 2022, we entered into a share purchase agreement with the relevant party relating to the aforementioned Disposal, which is subject to the satisfaction of certain conditions precedent. For more information, please see "Our Business – Recent Development – Disposal of Land Parcel at Sector 106, Gurgaon" on page 143.

Focus on execution to capitalise on industry trends

- According to the Anarock Report, apart from the structural longer term drivers, housing demand is likely at the cusp of a cyclical inflection point which could potentially see a sustained volume as well pricing growth in the near to medium term. This is on account of:
 - Narrowing of gap of rental yield to home loan rates, which will further increase the preference of purchasing home over renting it.
 - An increase in household income coupled with steady ticket prices have resulted in an increase in affordability of residential units.
- The Indian real estate sector has witnessed consolidation in the past few years. On account of the liquidity crunch being faced by smaller developers in addition to a shift in buyers' preference towards developers with strong execution record, consolidation is likely to take place further in the real estate sector (Source: Anarock Report).
- We intend to capitalize on these industry trends by:
 - focusing on the monetization of the existing inventory and completion of ongoing and planned projects within delivery timelines.
 - Further enhancing our execution capabilities and track record

Rationale for the Scheme and Integration

As per the Scheme, the rationale for the Proposed Merger includes the following:

- diversification across real estate asset classes and geographies
- consolidation of business resulting in synergies, reduction of operational costs and increase in operational efficiencies
- rationalization and streamlining of the management structure
- benefits of size and scale, which will in turn provide opportunities for new investments

- consolidation of resources

Assuming completion of the Proposed Merger, our Company will seek to operationalize the points above, as follows:

- ***Focus on core markets of MMR, NCR and Bengaluru to benefit from geographic and asset diversification***
 - The Proposed Merger will provide us with benefits of geographic diversification across key markets of MMR, NCR and Bengaluru and a well-balanced portfolio of residential and commercial real estate.
 - We believe our near term focus post completion of the Proposed Merger should be on the core markets of MMR, NCR and Bengaluru.
 - Further, within the residential asset class, the Proposed Merger will provide benefits of diversification between high-value and high-volume assets.
- ***Focus on asset light growth under a joint development, joint venture or development fee management model***
 - We intend to leverage the benefits of scale that the Proposed Merger will provide to further grow our business by entering into joint development agreements, joint ventures or development management arrangements with landowners and other smaller developers. We believe that such an approach will enable us to be more capital efficient and reduce our upfront land acquisition costs. We intend to follow this strategy in the MMR and Bengaluru, especially in micro-markets where we have a limited presence.
- ***Focus on execution of ongoing and planned projects***
 - We will continue to focus on the monetization of the existing inventory and completion of ongoing and planned projects within delivery timelines.
- ***Asset monetization of land reserves***
 - We will opportunistically consider monetizing land forming part of our land reserves, which is located in “non-core” locations.
 - We will also opportunistically consider monetizing our commercial assets to listed REITs and institutional investors.
- ***Prudent capital management***
 - The Proposed Merger will result in greater efficiency in the cash management of the Amalgamated Company and access to cash flow generated by the combined business, which can be deployed more efficiently to fund growth opportunities.
 - We will also consider opportunities to de-lever the balance sheet and further raise equity funding to reduce the cost of debt.
- ***Focus on brand re-positioning and governance***
 - After the Proposed Merger, subject to receipt of the relevant approvals, the Amalgamated Company will be renamed Embassy Developments Ltd. Subject to receipt of the relevant approvals, we will focus on re-positioning under the “Embassy” brand name.
 - After the consummation of the Proposed Merger, the promoters of NAM Estates will undertake necessary corporate actions to classify themselves as promoters of the Amalgamated Company. We will focus on aligning the Amalgamated Company’s business and operations with the strategies and vision of the New Promoters.

Integration

Upon the receipt of all regulatory approvals and the completion of the conditions precedent related to the Proposed Merger, we intend to work together with the Amalgamating Group to integrate the Amalgamating Group’s operations to our business and derive synergies from the Proposed Merger. Both the Amalgamation Group and our Company have established integration committees which have begun work to understand each other’s processes with respect to:

- Projects and Operations;
- Accounting and HR policies; and
- System and IT processes.

We have relocated our offices to WeWork Mumbai and Gurgaon.

However, there is no assurance that we will receive all required regulatory approvals for the merger or that the conditions precedent that are required will be satisfied. For further details, please see “*Risk Factors – Internal Risk Factors – There is no assurance that the Proposed Merger will be completed in a timely manner or at all*” on page 40.

ORGANIZATIONAL STRUCTURE

Corporate history

Our Company was incorporated as Indiabulls Real Estate Limited, under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 4, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi (“RoC”) and commenced its business on May 24, 2006 pursuant to a certificate of commencement of business issued by RoC.

As of the date of this Placement Document, we have 184 Subsidiaries comprising of 173 Indian Subsidiaries and 11 foreign Subsidiaries. For further details regarding the organizational structure, see “*Financial Statements*” on page 244.

Subsidiaries:

#	Name of direct and indirect Subsidiary	Shareholding of our Company
Indian Subsidiaries		
1.	Aedos Real Estate Company Limited	100.00%*
2.	Airmid Developers Limited	100.00%
3.	Airmid Properties Limited	100.00%*
4.	Airmid Real Estate Limited	100.00%*
5.	Albasta Developers Limited	100.00%*
6.	Albasta Infrastructure Limited	100.00%*
7.	Albasta Properties Limited	100.00%
8.	Albasta Real Estate Limited	100.00%
9.	Albina Properties Limited	100.00%
10.	Albina Real Estate Limited	100.00%*
11.	Amadis Land Development Limited	100.00%*
12.	Angles Constructions Limited	100.00%
13.	Apesh Constructions Limited	100.00%
14.	Apesh Properties Limited	100.00%
15.	Apesh Real Estate Limited	100.00%
16.	Ashkit Constructions Limited	100.00%*
17.	Athena Builders and Developers Limited	100.00%
18.	Athena Buildwell Limited	100.00%
19.	Athena Infrastructure Limited	100.00%
20.	Athena Land Development Limited	100.00%
21.	Aurora Builders and Developers Limited	100.00%
22.	Bridget Builders and Developers Limited	100.00%
23.	Catherine Builders and Developers Limited	100.00%
24.	Ceres Constructions Limited	100.00%*
25.	Ceres Estate Limited	100.00%
26.	Ceres Infrastructure Limited	100.00%*
27.	Ceres Land Development Limited	100.00%
28.	Ceres Properties Limited	100.00%
29.	Chloris Real Estate Limited	100.00%*
30.	Citra Developers Limited	100.00%
31.	Citra Properties Limited	100.00%
32.	Cobitis Real Estate Limited	100.00%
33.	Corus Real Estate Limited	100.00%*
34.	Devona Developers Limited	100.00%
35.	Devona Infrastructure Limited	100.00%*
36.	Devona Properties Limited	100.00%*
37.	Diana Infrastructure Limited	100.00%
38.	Diana Land Development Limited	100.00%*
39.	Edesia Constructions Limited	100.00%
40.	Edesia Developers Limited	100.00%
41.	Edesia Infrastructure Limited	100.00%
42.	Elena Constructions Limited	100.00%
43.	Elena Properties Limited	100.00%
44.	Fama Builders and Developers Limited	100.00%*
45.	Fama Construction Limited	100.00%*
46.	Fama Estate Limited	100.00%*
47.	Fama Infrastructure Limited	100.00%*
48.	Fama Land Development Limited	100.00%*
49.	Fama Properties Limited	100.00%

#	Name of direct and indirect Subsidiary	Shareholding of our Company
50.	Flora Land Development Limited	100.00%
51.	Fornax Constructions Limited	100.00%*
52.	Fornax Real Estate Limited	100.00%
53.	Galium Builders and Developers Limited	100.00%*
54.	Hermes Builders and Developers Limited	100.00%
55.	Hermes Properties Limited	100.00%*
56.	IB Assets Limited	100.00%*
57.	IB Holdings Limited	100.00%
58.	Indiabulls Buildcon Limited	100.00%
59.	Indiabulls Commercial Estate Limited	100.00%*
60.	Indiabulls Commercial Properties Limited	100.00%*
61.	Indiabulls Constructions Limited	100.00%
62.	Indiabulls Engineering Limited	100.00%*
63.	Indiabulls Estate Limited	100.00%
64.	Indiabulls Housing and Land Development Limited	100.00%
65.	Indiabulls Housing Developers Limited	100.00%
66.	Indiabulls Industrial Infrastructure Limited	89.01%
67.	Indiabulls Infraestate Limited	100.00%
68.	Indiabulls Infrastructure Projects Limited	100.00%*
69.	Indiabulls Land Holdings Limited	100.00%*
70.	Indiabulls Lands Limited	100.00%
71.	Indiabulls Multiplex Services Limited	100.00%
72.	Indiabulls Projects Limited	100.00%
73.	Indiabulls Realty Company Limited	100.00%
74.	Ivonne Infrastructure Limited	100.00%
75.	Juventus Constructions Limited	100.00%*
76.	Juventus Estate Limited	100.00%
77.	Juventus Infrastructure Limited	100.00%*
78.	Juventus Land Development Limited	100.00%*
79.	Juventus Properties Limited	100.00%*
80.	Kailash Buildwell Limited	100.00%*
81.	Kaltha Developers Limited	100.00%*
82.	Karakoram Buildwell Limited	100.00%*
83.	Karakoram Properties Limited	100.00%*
84.	Kenneth Builders and Developers Limited	100.00%*
85.	Lavone Builders and Developers Limited	100.00%*
86.	Lenus Constructions Limited	100.00%
87.	Lenus Infrastructure Limited	100.00%
88.	Lenus Properties Limited	100.00%
89.	Linnet Constructions Limited	100.00%
90.	Linnet Developers Limited	100.00%
91.	Linnet Infrastructure Limited	100.00%
92.	Linnet Properties Limited	100.00%
93.	Linnet Real Estate Limited	100.00%
94.	Lorena Builders Limited	100.00%
95.	Lorena Constructions Limited	100.00%*
96.	Lorena Developers Limited	100.00%*
97.	Lorena Infrastructure Limited	100.00%*
98.	Lorena Real Estate Limited	100.00%*
99.	Lorita Developers Limited	100.00%*
100.	Lucina Builders and Developers Limited	100.00%*
101.	Lucina Buildwell Limited	100.00%*
102.	Lucina Estate Limited	100.00%
103.	Lucina Land Development Limited	100.00%*
104.	Lucina Properties Limited	100.00%
105.	Mabon Constructions Limited	100.00%*
106.	Mabon Infrastructure Limited	100.00%*
107.	Mabon Properties Limited	100.00%
108.	Majesta Builders Limited	100.00%*
109.	Majesta Constructions Limited	100.00%*
110.	Majesta Developers Limited	100.00%*
111.	Majesta Infrastructure Limited	100.00%*

#	Name of direct and indirect Subsidiary	Shareholding of our Company
112.	Majesta Properties Limited	100.00%*
113.	Makala Infrastructure Limited	100.00%
114.	Manjola Infrastructure Limited	100.00%
115.	Mariana Constructions Limited	100.00%
116.	Mariana Developers Limited	100.00%
117.	Mariana Properties Limited	100.00%*
118.	Mariana Real Estate Limited	100.00%
119.	Milkyway Buildcon Limited	100.00%*
120.	Nerissa Constructions Limited	100.00%*
121.	Nerissa Developers Limited	100.00%*
122.	Nerissa Infrastructure Limited	100.00%*
123.	Nerissa Properties Limited	100.00%*
124.	Nerissa Real Estate Limited	100.00%*
125.	Nilgiri Buildwell Limited	100.00%*
126.	Nilgiri Infraestate Limited	100.00%*
127.	Nilgiri Infrastructure Development Limited	100.00%
128.	Nilgiri Infrastructure Limited	100.00%*
129.	Nilgiri Infrastructure Projects Limited	100.00%
130.	Nilgiri Land Development Limited	100.00%*
131.	Nilgiri Land Holdings Limited	100.00%*
132.	Nilgiri Lands Limited	100.00%*
133.	Noble Realtors Limited	100.00%*
134.	Paidia Infrastructure Limited	100.00%*
135.	Parmida Properties Limited	100.00%
136.	Platane Infrastructure Limited	100.00%*
137.	Selene Buildwell Limited	100.00%*
138.	Selene Constructions Limited	100.00%
139.	Selene Infrastructure Limited	100.00%
140.	Selene Land Development Limited	100.00%
141.	Selene Properties Limited	100.00%*
142.	Sentia Constructions Limited	100.00%
143.	Sentia Developers Limited	100.00%*
144.	Sentia Infrastructure Limited	100.00%
145.	Sentia Real Estate Limited	100.00%
146.	Sepset Developers Limited	100.00%
147.	Sepset Real Estate Limited	100.00%*
148.	Serida Infrastructure Limited	100.00%*
149.	Serida Properties Limited	100.00%*
150.	Serpentes Constructions Limited	100.00%
151.	Shivalik Properties Limited	100.00%*
152.	Sophia Constructions Limited	100.00%
153.	Sophia Real Estate Limited	100.00%
154.	Sylvanus Properties Limited	100.00%
155.	Tapir Constructions Limited	100.00%
156.	Tefia Land Development Limited	100.00%*
157.	Triton Buildwell Limited	100.00%*
158.	Triton Infrastructure Limited	100.00%*
159.	Triton Properties Limited	100.00%
160.	Varali Constructions Limited	100.00%
161.	Varali Developers Limited	100.00%*
162.	Varali Infrastructure Limited	100.00%
163.	Varali Properties Limited	100.00%
164.	Varali Real Estate Limited	100.00%
165.	Vindhyachal Buildwell Limited	100.00%*
166.	Vindhyachal Developers Limited	100.00%*
167.	Vindhyachal Infrastructure Limited	100.00%*
168.	Vindhyachal Land Development Limited	100.00%
169.	Vonnie Real Estate Limited	100.00%*
170.	Zeus Builders And Developers Limited	100.00%*
171.	Zeus Buildwell Limited	100.00%
172.	Zeus Estate Limited	100.00%
173.	Zeus Properties Limited	100.00%*
Foreign Subsidiaries		
174.	Ariston Investments Limited	100.00%*
175.	Ariston Investments Sub C Limited	100.00%*

#	Name of direct and indirect Subsidiary	Shareholding of our Company
176.	Brenformexa Limited	100.00%*
177.	Dev Property Development Limited	100.00%
178.	Grand Limited	100.00%
179.	Indiabulls Property Management Trustee Pte. Limited. (applied for strike-off)	100.00%*
180.	M Holdco 1 Limited	100.00%*
181.	M Holdco 2 Limited	100.00%*
182.	M Holdco 3 Limited	100.00%*
183.	Navilith Holdings Limited	100.00%*
184.	Shoxell Holdings Limited (applied for strike-off)	100.00%

* *Step-down subsidiary*

As on date of this Placement Document, Ceres Estate Limited, Indiabulls Infraestate Limited and Indiabulls Constructions Limited are the Material Subsidiaries of our Company.

Holding company

As on date of this Placement document, our Company does not have any holding company.

Associate company

As on the date of this Placement document, our Company does not have any associate company.

PROPOSED MERGER OF NAM ESTATES AND EOCDDL WITH OUR COMPANY

The Board of our Company in its meeting held on August 18, 2020 approved the scheme of amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act (“**Scheme**”) for the amalgamation of NAM Estates Private Limited (“**NAM Estates**” or “**Amalgamating Company 1**”) and Embassy One Commercial Property Developments Private Limited (“**EOCDPL**” or “**Amalgamating Company 2**” and along with Amalgamating Company 1, the “**Amalgamating Companies**”) and their respective shareholders and creditors, with our Company (“**Amalgamated Company**”), based on the swap ratio recommended by two independent registered valuers and an independent chartered accountant through their valuation reports and the fairness opinion report issued by a SEBI registered Category I merchant banker (“**Proposed Merger**”).

Further, the Scheme also provides for, *inter alia* (a) transfer of the entire authorized share capital of Amalgamating Companies to the Amalgamated Company; and (b) dissolution of the Amalgamating Companies without winding up and (c) the name of the Amalgamated Company shall stand changed to “Embassy Developments Limited” or such other name as may be acceptable to the Amalgamating Company 1 subject to name being available with the MCA and any other procedural requirements under the Companies Act.

Our Company filed first motion application under Sections 230 to 232 of the Companies Act in the National Company Law Tribunal, Chandigarh Bench (“**NCLT, Chandigarh**”) on August 16, 2021. Through its order dated December 23, 2021, NCLT, Chandigarh dispensed with meeting of secured and unsecured creditors of our Company and directed our Company to convene a meeting of the shareholders of our Company on February 12, 2022, through video conference or by way of any other audio visual, under the chairmanship of chairperson appointed by the NCLT, Chandigarh. The shareholders of our Company at the NCLT, Chandigarh convened meeting held on February 12, 2022, have approved the Scheme. Further, our Company has filed a company petition (second motion) under Sections 230 to 232 of the Companies Act in the NCLT, Chandigarh on February 23, 2022. Through its order dated April 8, 2022, the NCLT, Chandigarh has listed the hearing on May 27, 2022.

The Amalgamating Companies filed a joint company application under Sections 230 to 232 in the National Company Law Tribunal, Bengaluru Bench (“**NCLT, Bengaluru**”) on August 13, 2021. Through its order dated January 12, 2022, NCLT, Bengaluru dispensed with meeting of shareholders, secured and unsecured creditors of the Amalgamating Companies, where applicable. Further, the Amalgamating Companies have filed joint company petition (second motion) under Sections 230 to 232 of the Companies Act in the NCLT, Bengaluru on January 28, 2022. The matter was heard on April 8, 2022 and the order of the NCLT, Bengaluru is currently awaited.

The Scheme is pending the approval of the NCLT, Chandigarh and NCLT, Bengaluru.

Competition Commission of India (“**CCI**”) has approved the Scheme through its letter dated February 24, 2021, and BSE and NSE have approved the Scheme through their approvals dated February 19, 2021 and February 23, 2021, respectively.

Rationale of the Proposed Merger

Our Company believes that pursuant to the Proposed Merger, the Amalgamated Company, amongst others, shall realise the following benefits:

- i. have a pan India presence across key markets of Mumbai, Bangalore, Chennai and the National Capital Region and have diversified real estate asset classes (commercial and residential);
- ii. creation of stronger base for future growth and accrete shareholder value as a result of consolidation of business and operations of Amalgamating Companies with Amalgamated Company and enabling optimal utilization of resources due to pooling of financial, managerial, technical and human resources of both the Amalgamating Companies and the Amalgamated Company;
- iii. greater efficiency in cash management and access to cash flow generated by the Amalgamated Company; and
- iv. improved economies of scale and enabling provision of better services and facilities to the customers and suppliers.

Conditions

The effectiveness of the Scheme is subject to the following:

- i. approval by the requisite majority of the classes of persons, including shareholders, creditors of the Amalgamating Companies and Amalgamated Company as may be directed by the NCLT, Chandigarh and NCLT, Bengaluru under Sections 230 to 232 of the Companies Act. Further, the Scheme shall be acted upon only if the votes cast by the public shareholders of the Amalgamated Company in favour of the Scheme are more than votes cast against it.

It is to be noted that (i) shareholders of our Company at NCLT, Chandigarh convened meeting held on February 12, 2022 have approved the Scheme as per the prescribed procedure and the votes cast by the public shareholders of our Company in favour of the Scheme were more than votes cast against it; and (ii) the meeting of the secured and unsecured creditors of our Company was dispensed with by the NCLT, Chandigarh. Further, the meetings of the shareholders, secured and unsecured creditors of Amalgamating Companies, where applicable, were dispensed with by the NCLT, Bengaluru;

- ii. receipt of the approvals from the CCI, SEBI, NSE and BSE, as may be required. As specified above, the requisite approvals from CCI, NSE and BSE have been obtained;
- iii. approval(s) from Real Estate Regulatory Authority, as applicable;
- iv. approval from the Luxemburg Stock Exchange, if applicable;
- v. other sanctions and approvals required to be obtained by law, including the sanction of any government or regulatory authority;
- vi. due compliance by the Amalgamating Companies and Amalgamated Company with any other conditions stipulated by any governmental authority, including the sanctions and orders of the NCLT, Chandigarh and NCLT, Bengaluru in a form and substance acceptable to the Amalgamating Companies and Amalgamated Company; and
- vii. certified copies of the orders of the NCLT, Chandigarh and NCLT, Bengaluru sanctioning the Scheme being filed by the Amalgamating Companies and the Amalgamated Company with their respective Registrar of Companies with regard to the amalgamation of Amalgamating Companies with Amalgamated Company, pursuant to the exchange of securities, as specified in Step 1 and Step 3 below, and other conditions as prescribed in the Scheme.

Mechanics of the Proposed Merger

Upon receipt of the order of the NCLT, Chandigarh and NCLT, Bengaluru, it is proposed that the Scheme shall be effective with respect to:

- (i) amalgamation of the Amalgamating Company 1 into Amalgamated Company ("**Step 2**") on the date on which the last of the conditions (as specified under heading "*Conditions*" above) are fulfilled or waived, as may be permitted by applicable law ("**Effective Date 1**"); and
- (ii) amalgamation of the Amalgamating Company 2 into Amalgamated Company ("**Step 4**") on the (a) Effective Date 1 or (b) 30th day from the effectiveness of the proposed demerger of one of the two businesses of Indiabulls Properties Private Limited ("**IPPL**") with respect to owning, operating and maintaining of the information technology parks, pursuant to a scheme of demerger filed before the NCLT, Chandigarh, whilst the other business in relation to construction and development of residential apartments will remain part of IPPL (the "**IPPL Demerger**" and such date, the "**Effective Date 2**").

Step 1

Upon the Scheme being approved by NCLT, Chandigarh and NCLT, Bengaluru, but prior to Effective Date 1, Embassy One Developers Private Limited ("**Embassy One**"), Embassy East Business Park Private Limited (*formerly known as Concord India Private Limited*) ("**Embassy East**") and Summit Developments Private Limited ("**Summit**") and together with Embassy One and Embassy East, the "**Specified Companies**") shall become wholly owned subsidiaries of the Amalgamating Company 1, pursuant to the following exchange of securities in accordance with the respective swap agreements executed amongst the relevant parties:

- i. equity shares of Amalgamating Company 1 will be issued to shareholders of Embassy One ("**Embassy One Shareholders**"), in exchange for the securities held by them in Embassy One;
- ii. equity shares of Amalgamating Company 1 will be issued to shareholders of Embassy East ("**Embassy East Shareholders**") in exchange for securities held by them in Embassy East; and
- iii. equity shares of Amalgamating Company 1 will be issued to shareholders of Summit ("**Summit Shareholders**") in exchange for securities held by them in Summit.

To the extent any securities of Specified Companies are held by the Amalgamating Company 1, there will be no corresponding issuance of equity shares of Amalgamating Company 1 to itself under the respective swap arrangements.

If one or more of the aforementioned exchange of securities is not undertaken or if one or more of the swap agreement(s) is

terminated or if for any reason whatsoever, the entire shareholding of the Specified Companies is not held by Amalgamating Company 1, then the Amalgamating Company 1 shall, notwithstanding anything to the contrary provided in the swap agreement(s) or the Scheme or in any other agreement to which Amalgamating Company 1 is a party, ensure that the promoters of Amalgamating Company 1 (and/or their affiliates) (“**NAM Promoters**”) shall acquire the entire shareholding of Embassy One Shareholders, Embassy East Shareholders and Summit Shareholders held in the respective Specified Companies (“**NAM Promoter Acquisition**”) and subsequent to such NAM Promoter Acquisition, the NAM Promoters shall (and Amalgamating Company 1 shall ensure that the NAM Promoters shall) undertake exchange of securities of the relevant Specified Companies with the Amalgamating Company 1, as applicable, on the same terms as entered into between the Amalgamating Company 1 and Embassy One Shareholders, Embassy East Shareholders and Summit Shareholders, respectively, such that upon the amalgamation of Amalgamating Company 1 with Amalgamated Company, the Specified Companies shall become the wholly owned subsidiary (directly or indirectly) of the Amalgamated Company and the Amalgamating Company 1 shall also ensure (a) that the consideration as provided in section titled “*Consideration and other costs*” below is not affected and remains unchanged; and (b) that the Amalgamating Company 1 and the NAM Promoters fulfil their obligation by duly complying with the provisions of Companies Act.

Upon acquisition of the entire shareholding of Specified Companies by NAM Promoters, (a) the relevant Embassy One Shareholders, Embassy East Shareholders and Summit Shareholders being the transferors shall no longer (directly or indirectly) be entitled to any issue and allotment of equity shares of the Amalgamated Company in connection with (and in lieu of) their shareholding in the relevant Specified Companies; and (b) on and after the Effective Date 1, such securities held by the NAM Promoters shall form part of, and be aggregated towards, the holding of the ‘promoter and promoter group’ of the Amalgamated Company.

Step 2

Upon coming into effect of Step 2 of the Scheme and as on the Effective Date 1, the Amalgamating Company 1 together with *inter alia* all its present and future properties, including movable and immovable property, tangible and intangible assets, investments, borrowings, guarantees extended (including corporate guarantees given in respect of all assets of the Amalgamating Company 1 or its subsidiaries), approvals, consents, registrations, permits, benefits, privileges, insurance covers or claims, records, rights, interests, employees, contracts, agreements, obligations, proceedings, liabilities (including contingent liabilities) and powers of every kind and description, shall amalgamate with and shall stand transferred to the Amalgamated Company as a going concern.

All equity shares held by the Amalgamating Company 1 in the share capital of the Amalgamated Company as on the Effective Date 1, shall stand cancelled in accordance with the provisions of Companies Act, without any payment to any person, upon Step 1 of the Scheme becoming effective.

Step 3

Upon the Scheme being approved by NCLT, Chandigarh and NCLT, Bengaluru, but prior to Effective Date 2 and subject to (i) completion of the IPPL Demerger; (ii) the swap agreement executed amongst the shareholders of IPPL, the following exchange of securities shall be undertaken:

- i. equity shares of Amalgamating Company 2 will be issued to shareholders of IPPL in exchange for the securities held by them in IPPL,

such that prior to the Effective Date 2, the shareholders of IPPL shall become equity shareholders in the Amalgamating Company 2 and IPPL shall become the wholly owned subsidiary of the Amalgamating Company 2 and consequently of the Amalgamated Company on the Effective Date 2 pursuant to the Step 4 below. It is to be noted that the Shareholders of IPPL shall be classified as ‘public shareholders’ in the Amalgamated Company.

Step 4

Upon coming into effect of Step 2 of the Scheme and as on the Effective Date 2, the Amalgamating Company 2, together with *inter alia* all its present and future properties, including movable and immovable property, tangible and intangible assets, investments, borrowings, guarantees extended (including corporate guarantees given in respect of all assets of the Amalgamating Company 2 and/or its subsidiaries), approvals, consents, registrations, permits, benefits, privileges, insurance covers or claims, records, rights, interests, employees, contracts, agreements, obligations, proceedings, liabilities (including contingent liabilities) and powers of every kind and description, shall amalgamate with and shall stand transferred to the Amalgamated Company as a going concern.

All equity shares held by the Amalgamating Company 1 (or the Amalgamated Company as the successor of Amalgamating Company 1 with effect from Effective Date 1) in the share capital of the Amalgamating Company 2 as on the Effective Date 2, shall stand cancelled in accordance with the provisions of Companies Act, without any payment to any person, upon Step 2 of

the Scheme becoming effective.

While Step 2 and Step 4 are severable and can be made effective independently subject to compliance with relevant provisions of the Scheme and requisite corporate approvals, however, Step 4 of the Scheme can only be made effective if Step 2 of the Scheme has been made effective and Step 2 is capable of being brought into effect irrespective of coming into effect of Step 4 of the Scheme.

The Scheme may be amended in a mutually agreeable manner by the Amalgamating Companies and the Amalgamated Company (acting through their respective boards of directors) or in manner deemed fit or directed or imposed by the NCLT, Chandigarh, NCLT, Bengaluru and/or any other authorities or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme

Consideration and other costs

In consideration of the Proposed Merger, the Amalgamated Company is required to issue and allot new equity shares to the shareholders of the Amalgamating Companies, without any further payment each free and each clear of all encumbrances, validly issued and fully paid-up, as follows:

- i. Upon coming into effect of the Step 2, the shareholders of the Amalgamating Company 1, whose names are recorded in the register of members of the Amalgamating Company 1 as holding equity shares on the record date (i.e., the date fixed by the board of directors of the Amalgamating Company 1 and Amalgamated Company for the purpose of determining the members of the Amalgamating Company 1 to whom shares will be allotted pursuant to the Proposed Scheme) shall be allotted 6,619 equity shares of the Amalgamated Company having a face value of ₹2 each for every 10,000 equity shares having a face value of ₹10 each held in Amalgamating Company 1; and
- ii. Upon coming into effect of the Step 4, the shareholders of the Amalgamating Company 2, whose names are recorded in the register of members of the Amalgamating Company 2 as holding equity shares on the record date (i.e., the date fixed by the board of directors of the Amalgamating Company 2 and Amalgamated Company for the purpose of determining the members of the Amalgamating Company 2, to whom shares will be allotted pursuant to the Proposed Scheme) shall be allotted 5,406 equity shares of the Amalgamated Company having a face value of ₹2 each for every 10,000 equity shares having a face value of ₹10 each held in Amalgamating Company 2.

Except as otherwise expressly provided in the Scheme or otherwise agreed between the Amalgamated Company and Amalgamating Companies, the Amalgamating Companies and the Amalgamated Company shall bear their respective costs, charges and expenses in connection with the Scheme, except in case of the stamp duty, if any, payable on the Scheme, which shall be borne by the Amalgamated Company.

Upon the Scheme becoming effective, all taxes, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Companies and Amalgamated Company arising out of or incurred in connection with and implementing the Scheme and matters incidental thereto shall be borne by the Amalgamated Company.

Re-classification of Promoter and Promoter Group

The Scheme provides that upon coming into effect of Step 2 and pursuant to the allotment of the new equity shares to shareholders of Amalgamating Company 1 in accordance with the Scheme and the applicable law, the promoters of the Amalgamating Company 1 as of the record date (i.e. the date fixed by the board of directors of the Amalgamating Company 1 and the Amalgamated Company for the purpose of determining the members of the Amalgamating Company 1 to whom shares will be allotted pursuant to the Scheme), shall together with the Promoter and Promoter Group of our Company, be also classified as 'promoter and promoter group' of the Amalgamated Company. However, if the shareholding of the Promoter and Promoter Group of our Company in the Amalgamated Company falls to or below 10% at any time including pursuant to the effectiveness of the Scheme, our Company and the Promoter are required to take appropriate steps to reclassify the Promoter and Promoter Group of our Company as 'public shareholders' in accordance with the applicable law.

As on December 31, 2021, the total shareholding of the Promoter and Promoter Group in our Company was equivalent to 0.26% of the total paid-up share capital of our Company. Accordingly, the Promoter and Promoter group of our Company ("**Outgoing Promoters**") have through their request letter dated January 1, 2022 ("**Request Letter**"), sought reclassification from 'promoter and promoter group' category to 'public' category in accordance with Regulation 31A of the SEBI Listing Regulations. Through the Request Letter, the Outgoing Promoters have, *inter alia*, submitted that, (i) during the pendency of the Proposed Merger, the day to day operations of our Company is being controlled and managed professionally by its Board of Directors and the management team; (ii) the Outgoing Promoters are not involved in the day to day management of our Company, are not associated with our business, do not exercise control over our Company, directly or indirectly, nor do they have any influence over the business and policy decisions of our Company. The Board of Directors and shareholders of our Company have considered and approved the request of Outgoing Promoters for re-classification from 'promoter and promoter group' category

to 'public' category in their meetings dated January 5, 2022 and February 7, 2022, respectively, subject to receipt of approval from the Stock Exchanges in accordance with SEBI Listing Regulations. Our Company has filed applications, each dated February 14, 2022 with BSE and NSE, respectively ("**Re-classification Applications**"). The re-classification is subject to receipt of final approval from BSE and NSE in accordance with the SEBI Listing Regulations. Please see "*Risk Factors - Our Promoter and Promoter Group are in the process of being re-classified to the "public" category, and after such reclassification becomes effective and before the completion of the Proposed Merger, we may become a professionally managed company without an identifiable promoter or promoter group*" on page 42.

For details of risks pertaining to the non-completion of the Proposed Merger, please refer to "*Risk Factors - There is no assurance that the Proposed Merger will be completed in a timely manner or at all*" on page 40.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

Board of Directors

The general supervision, direction and management of our Company, its operations and business are vested in the Board, which exercises its powers subject to the Memorandum of Association and Articles of Association and as per the requirements of the applicable laws. The composition of our Board is governed by the provisions of the Companies Act, the Articles of Association and the SEBI Listing Regulations. The Articles of Association provides that the number of directors shall not be less than three and not more than 12. At present, our Company has six Directors on its Board, comprising of two Executive Directors and four Non-Executive Independent Directors, inclusive of one woman Independent Director.

Pursuant to the provisions of the Companies Act and in accordance with the Articles of Association, at least two-third of the total number of Directors, excluding Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. Additionally, if the number of Directors retiring is not three or a multiple of three, then the nearest number to one-third are liable to retire by rotation. A retiring Director is eligible for reappointment. Further, as per the provisions of Companies Act, an Independent Director may be appointed for a maximum of two consecutive terms of up to five consecutive years each. However, the reappointment of an Independent Director for a second consecutive term shall, amongst other things, be on the basis of the performance evaluation report and approved by the Shareholders by way of a special resolution.

The following table sets forth details regarding the Board of Directors as of the date of this Placement Document:

S.No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
1.	Kulumani Gopalratnam Krishnamurthy Address: 403, Meru Heights, 268 Telang Road, Matunga East Behind Poddar College, Matunga Mumbai – 400 019 Maharashtra, India Occupation: Retired DIN: 00012579 Term: Period of three years with effect from November 9, 2021* Nationality: Indian	65	Non-Executive Chairman and Independent Director*
2.	Mehul Johnson Address: 2804/ 28th Floor, Indiabulls Sky, Senapati Bapat Marg, Plot No - 882 Jupiter Mill, Elphinstone, Mumbai – 400 013 Maharashtra, India Occupation: Service DIN: 00016075 Term: For a period of five years, with effect from December 31, 2020 Nationality: Indian	50	Joint Managing Director
3.	Gurbans Singh Address: C-552 2nd Floor Defence Colony, Delhi – 110 024 India Occupation: Service	60	Joint Managing Director

S.No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
	DIN: 06667127 Term: Period of five years with effect from September 29, 2019 Nationality: Indian		
4.	Justice Gyan Sudha Misra (Retd.) Address: D-78, Panchsheel Enclave New Delhi – 110 017 Delhi, India Occupation: Consultant DIN: 07577265 Term: Period of five years with effect from September 29, 2018 Nationality: Indian	72	Independent Director
5.	Praveen Kumar Tripathi Address: K-80 S/F Internal Street Hauz Khas, near Kailash Pati Mandir New Delhi – 110 016 Delhi, India Occupation: Former Chief Secretary of Government of Delhi DIN: 02167497 Term: Period of three years with effect from March 31, 2022 Nationality: Indian	69	Independent Director
6.	Gurinder Singh Address: #94, Sector-10-A, Chandigarh Sector-11, Chandigarh – 160 011 India Occupation: Retired Indian Police Services officer DIN: 08183046 Term: Period of three years with effect from March 31, 2022 Nationality: Indian	73	Independent Director

* Kulumani Gopalratnam Krishnamurthy was designated as the Non-Executive Chairman of the Board with effect from February 1, 2022.

Biographies of our Directors

Kulumani Gopalratnam Krishnamurthy is the Non-Executive Chairman and Independent Director of our Company. He holds a bachelor's degree in architecture from Indian Institute of Technology, Kharagpur and a diploma in administrative management from University of Bombay. He has over 30 years of experience in the real estate sector and has held various leadership positions during his tenure at Housing Development Finance Corporation, including as the managing director and chief executive officer of HDFC Property Ventures Limited and of HDFC Venture Capital Limited.

Mehul Johnson is the Joint Managing Director of our Company. He holds a bachelor's degree in arts from Punjab University. He has over 20 years of experience in infrastructure, construction and real estate industry. He has been associated with our Group since its inception at various senior positions.

Gurbans Singh is the Joint Managing Director of our Company. He holds a bachelor's degree in arts from Punjab University and a master's degree in economics from Punjab University. He was a recipient of the British Chevening scholarship awarded by the Foreign and Commonwealth Office in the year 1993-1994 and during which he completed his master of science in fiscal studies from the University of Bath, United Kingdom. He is a retired Indian Revenue Services ("IRS") (Customs and Central Excise) officer and in his career as an IRS officer spanning over 22 years, he held senior level positions with the Government of India in the areas of customs and central excise, including as the Commissioner of Customs, Delhi.

Justice Gyan Sudha Misra (Retd.) is an Independent Director of our Company. She is a retired Judge of the Supreme Court of India and before her elevation to the Supreme Court of India, she was the Chief Justice of Jharkhand High Court, prior to which she has also served as a Judge of the Patna High Court and of the Rajasthan High Court. Before joining the judiciary, she practiced law over two decades in the Supreme Court of India specializing in civil, criminal and constitutional matters. She was also associated with the activities of the lawyers and the legal profession and served as a Treasurer, Joint Secretary, and Member Executive Committee of the Supreme Court Bar Association, several times. She holds a bachelors' degree in law and masters' degree in political science from the Patna University.

Praveen Kumar Tripathi is an Independent Director of our Company. In his career as an Indian Administrative Services officer, he held various key senior positions at state and center level including (i) the chief secretary, Government of NCT Delhi; (ii) advisor to Government of NCT Delhi on reforms and innovation in governance; (iii) chief executive officer, Delhi Jal Board; and (iv) chairman, Public Grievances Commission, Government of NCT of Delhi.

Gurinder Singh is an Independent Director of our Company. He holds a bachelor's degree in law from Punjab University. In his career as Indian Police Services officer spanning over 36 years, he handled various key positions at state, centre and at international levels including (i) counsellor in the Embassy of India in Vienna; (ii) counsellor in the Embassy of India in Cairo; and (iii) minister in the High Commission of India in London. He also assisted the Prime Minister of Mauritius as his National Security Advisor. He was awarded the Police Medal for his meritorious services and the Sarvottam Seva Praman Patra for distinguished service, for the year 2002.

Relationship amongst the Directors

None of our Directors are related to each other.

Borrowing powers of the Board

Our Company has, pursuant to a special resolution dated May 26, 2014 passed under section 180(1)(c) of Companies Act, 2013, subject to the provisions of our Articles of Association and applicable laws, authorised the Board of Directors to borrow any sum or sums of money from time to time, which together with the money already borrowed (apart from temporary loans obtained/to be obtained from our Company's bankers in the ordinary course of business as defined under explanation to section 180(1)(c) of the Companies Act) by our Company may exceed the aggregate of the paid-up share capital and free reserves (i.e., reserves not set apart for any specific purpose) of our Company provided, however, that the total amount borrowed and outstanding at any point of time shall not, at any time exceed the sum of ₹7,500 crores (Rupees seven thousand five hundred crores only).

Interest of the Directors

Our Executive Directors are interested to the extent of remuneration paid to them for services rendered by them. All of our Non-Executive Directors may be deemed to be interested to the extent of sitting fees being paid to them for attending Board meetings and commission or incentive, if any, payable to them pursuant to the authorization of our shareholders in their meeting dated February 7, 2022.

Certain of our Directors, may also be regarded as interested in our Company to the extent of the Equity Shares, stock options, SARs, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company in which the Directors are interested parties.

Certain of our Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms and trusts, in which they are interested as directors, members, partners or trustees.

Except as otherwise stated in this Placement Document, our Company has not entered into any contract, agreement or arrangement during the preceding two years from the date of this Placement Document in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. Further, as on date of this Placement Document, no Director has taken any loans from our Company.

Shareholding of Directors

The following table sets forth details regarding the shareholding of the Directors as on April 8, 2022:

Name of the Director	Number of Equity Shares	Number of Stock Options/SARs
Kulumani Gopalratnam Krishnamurthy	Nil	Nil
Mehul Johnson	252,620	1,200,000
Gurbans Singh	Nil	600,000
Justice Gyan Sudha Misra (Retd.)	Nil	Nil
Praveen Kumar Tripathi	Nil	Nil
Gurinder Singh	Nil	Nil

Remuneration of the Directors

Terms of appointment and remuneration of our Executive Directors:

Mehul Johnson

Mehul Johnson was appointed as an Executive Director and Key Managerial Personnel, designated as Joint Managing Director of our Company for a period of five years with effect from December 31, 2020 at a remuneration recommended by the Nomination and Remuneration Committee and approved by the Board, subject to the overall ceiling of remuneration prescribed in the Companies Act. However, as of the date of this Placement Document no recommendation to the Board has been made by the Nomination and Remuneration Committee regarding payment of remuneration to Mehul Johnson in Fiscal 2022.

Gurbans Singh

Gurbans Singh was appointed as an Executive Director and Key Managerial Personnel, designated as Joint Managing Director of our Company for a period of five years with effect from September 29, 2019 at a remuneration recommended by the Nomination and Remuneration Committee and approved by the Board, subject to the overall ceiling of remuneration prescribed in the Companies Act. However, as of the date of this Placement Document no recommendation to the Board has been made by the Nomination and Remuneration Committee regarding payment of remuneration to Gurbans Singh in Fiscal 2022.

Remuneration paid to our Executive Directors

The following tables set forth the details of remuneration paid by our Company to the Executive Directors of our Company during the current Fiscal and Fiscals 2022, 2021 and 2020:

<i>(In ₹ millions)</i>			
Name	Fiscal 2022 [^]	Fiscal 2021 [^]	Fiscal 2020 [^]
Mehul Johnson*	Nil ⁽¹⁾	Nil ⁽²⁾	-
Gurbans Singh	Nil ⁽³⁾	Nil ⁽⁴⁾	Nil ⁽⁵⁾

[^]Exclusive of employee stock option/SARs benefit.

* Appointed as Joint Managing Director with effect from December 31, 2020.

⁽¹⁾ ₹25.00 million paid to Mehul Johnson by one of our Subsidiaries as remuneration in his capacity as the executive director.

⁽²⁾ ₹7.24 million paid to Mehul Johnson by one of our Subsidiaries as remuneration in his capacity as its executive director.

⁽³⁾ ₹35.07 million paid to Gurbans Singh by one of our Subsidiaries as remuneration in his capacity as its executive director.

⁽⁴⁾ ₹35.80 million paid to Gurbans Singh by one of our Subsidiaries as remuneration in his capacity as its executive director.

⁽⁵⁾ ₹62.43 million paid to Gurbans Singh by one of our Subsidiaries as remuneration in his capacity as its executive director.

No remuneration was paid to any of the directors in Fiscal 2023.

Compensation of our Non-Executive Directors

Our Company pays a sitting fee of ₹ 1,00,000 per meeting of the Board. In addition to the sitting fee and/or reimbursement of expenses for attending meetings of the Board, our Board may approve payment of remuneration to our Non-Executive Directors, including Independent Directors, subject to an overall ceiling of 1% of the net profits of our Company, or such other prescribed limits under the Companies Act, for each financial year. No sitting fee is paid for attending the committee meetings.

The following table sets forth the sitting fee paid by our Company to the Non-Executive Directors for attending the Board meetings during the current Fiscal and Fiscals 2022, 2021 and 2020:

(In ₹ millions)

Name	Fiscal 2022	Fiscal 2021	Fiscal 2020
Kulamani Gopalratnam Krishnamurthy*	0.30	-	-
Justice Gyan Sudha Misra (Retd.)	0.70	0.80	0.60
Praveen Kumar Tripathi**	0.70	0.80	0.60
Gurinder Singh**	0.70	0.70	0.60

*Appointed as Independent Director with effect from November 9, 2021 and designated as the Non-Executive Chairman with effect from February 1, 2022.

** Appointed as Independent Director with effect from March 31, 2019.

No sitting fees was paid to any of the Directors in Fiscal 2023.

Senior Management Personnel

The details of our Senior Management Personnel as on the date of this Placement Document, are set out below:

#	Name	Age	Designation
1.	Mehul Johnson*	50	Joint Managing Director
2.	Gurbans Singh*	60	Joint Managing Director
3.	Sachin Shah	46	President
4.	Anil Mittal*	51	Chief Financial Officer
5.	Ravi Telkar*	49	Company Secretary and Compliance Officer
6.	Atul Chandra	45	Senior Vice President
7.	Niraj Tyagi	55	Executive Vice President (Legal)

*Key Managerial Personnel in accordance with the provisions of the Companies Act.

Biographies of our Senior Management Personnel

For biographies of the Joint Managing Directors see “- Biographies of our Directors” on page 185:

Sachin Shah was appointed as the President with effect from November 10, 2021. He holds a bachelor’s degree in science from Babson College and an MBA from Harvard Business School. He has over 20 years of experience in investment advisory services. Prior to joining our Company, he was associated with Embassy Office Parks REIT as the chief investment officer – investor relations, the Blackstone Group, Samsara Fund Advisors Private Limited and Starwood Capital Group.

Anil Mittal was appointed as the Chief Financial Officer of our Company with effect from April 23, 2014. He holds a bachelor’s degree in commerce from Kurukshetra University and is a fellow of the Institute of Chartered Accountants of India. He has over 15 years of experience in accounting, fund raising, bank financing treasury, management information system and commercial functions.

Ravi Telkar was appointed as the Company Secretary and Compliance Officer with effect from February 15, 2007. He holds a bachelor’s degree in commerce from Osmania University and is an associate of the Institute of Company Secretaries of India. He has over 27 years of experience in diverse corporate secretarial areas, including in his current role in our Group. Prior to joining our Company, he was associated with Jet Airways (I) Limited, Saven Technologies Limited, Infotech Enterprises Limited and SOL Pharmaceuticals Limited.

Atul Chandra was appointed as the Senior Vice President of our Company with effect from April 10, 2021. He holds a bachelor’s degree in commerce from Jiwaji University, Gwalior. He is a qualified chartered accountant and is an associate member of the Institute of Chartered Accountants of India. He has over 19 years of experience in audit, accounting and investment advisory. Prior to joining our Company, he was associated with Samsara Finance Private Limited as the chief investment officer, Capri Global Capital Limited (formerly Money Matters), ICICI Bank Limited, Union Bank of India, and Corporation Bank.

Niraj Tyagi was appointed as the Executive Vice President (Legal) of our Company with effect from August 1, 2015. He holds a bachelor’s degrees in commerce and law from Meerut University and Chaudhary Charan Singh University, Meerut, respectively, a master’s degree in commerce from Chaudhary Charan Singh University, Meerut and a post-graduate diploma in business management from Institute of Management Technology, Ghaziabad. He has over 25 years of experience in legal and compliance domain. Prior to joining our Company, he was associated with Bharti Teletel Limited.

Shareholding of Senior Management Personnel

The following table sets forth details regarding the shareholding of the Senior Management Personnel in our Company as on April 8, 2022:

Name	Number of Equity Shares	Number of stock options/SARs
Mehul Johnson	252,620	1,200,000
Gurbans Singh	Nil	600,000
Sachin Shah	Nil	Nil
Anil Mittal	Nil	250,000
Ravi Telkar	40,152	Nil
Atul Chandra	Nil	Nil
Niraj Tyagi	178,000	Nil

Relationship amongst the Senior Management Personnel

None of our Senior Management Personnel are related to each other.

Interest of Senior Management Personnel

None of the Senior Management Personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares or stock options held by them or their dependants in our Company, if any, and any dividend payable to them and other distributions in respect of such Equity Shares.

Corporate governance

The Board of Directors presently consists of six Directors. In compliance with the requirements of the SEBI Listing Regulations, the Board of Directors has four Independent Directors including one independent woman Director. Our Company is in compliance with the corporate governance requirements including the constitution of Board and committees thereof, as prescribed under the SEBI Listing Regulations.

Committees of the Board of Directors

The Board of Directors have constituted committees, in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations.

The following table sets forth the members of the aforesaid committees as of the date of this Placement Document:

Committee	Members
Audit Committee	Praveen Kumar Tripathi (Chairman); Justice Gyan Sudha Misra (Retd.); Gurinder Singh; and Gurbans Singh.
Nomination and Remuneration Committee	Praveen Kumar Tripathi (Chairman); Justice Gyan Sudha Misra (Retd.); and Gurinder Singh.
Stakeholders' Relationship Committee	Gurinder Singh (Chairman); Gurbans Singh; and Mehul Johnson.
Risk Management Committee	Mehul Johnson (Chairman); Gurbans Singh; and Praveen Kumar Tripathi.
Corporate Social Responsibility Committee	Mehul Johnson (Chairman); Gurbans Singh; and Gurinder Singh.

Additionally, our Company has constituted various committees of its Board, namely, compensation committee, operations committee, restructuring committee and reorganisation committee.

Policy on disclosures and internal procedure for prevention of insider trading

Our Company has adopted a code of conduct for prevention of insider trading ("**Insider Code**") with a view to regulate trading in securities by the directors and employees of our Company. The Insider Code requires pre-clearance for dealing in our

Company's shares and prohibits the purchase or sale of our Company's shares by the directors and employees while in possession of unpublished price sensitive information in relation to our Company or its securities. Our Company has appointed a compliance officer to ensure compliance of the Insider Code by all the directors and employees likely to have access to unpublished price sensitive information. Further, our Company has also adopted the code of practices and procedures for fair disclosure of unpublished price sensitive information ("UPSI") to regulate and monitor the flow of UPSI.

Other confirmations

None of the Directors, Promoter, or Senior Management Personnel of our Company have any financial or other material interest in the Issue.

All our Senior Management Personnel are permanent employees of our Company.

Our Company does not have any bonus or profit-sharing plan with its Directors and Senior Management Personnel.

None of the Directors or the companies with which they are or were associated as promoter or director, are debarred from accessing the capital markets under any order or direction passed by the SEBI or any other governmental authority. Neither our Company, nor our Promoter or the companies with which our Promoter is or has been associated with a promoter or a person in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental authority.

Neither our Company, nor any of our Directors or Promoter have been declared as a Wilful Defaulter or Fraudulent Borrower.

None of our Directors or Promoter have been declared as a Fugitive Economic Offender.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Fiscal Years immediately preceding the date of this Placement Document, please see the section "*Related Party Transactions*" on page 39.

Employee stock option schemes

For details with respect the employee stock option schemes of our Company, please see the section "*Capital Structure - Employee stock option schemes*" on page 79.

SHAREHOLDING PATTERN OF OUR COMPANY

The following table sets forth the details regarding the equity shareholding pattern of our Company as on December 31, 2021:

Category & Name of the Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
(A) Promoter & Promoter Group	1	1,200,000	0	1,200,000	0.26	1,200,000	0.26	0	0.26	1,200,000
(B) Public	270,562	451,398,188	0	451,398,188	99.05	451,398,188	98.97	0	99.05	451,396,460
(C) Non-Promoter Non-Public:										
(C1) Shares underlying DRs	1	0	392,544	392,544	NA	392,544	0.09	0	NA	392,544
(C2) Shares held by Employee Trusts	1	3,125,164	0	3,125,164	0.69	3,125,164	0.69	0	0.69	3,125,164
Total:	270,565	455,723,352	392,544	456,115,896	100.00	456,115,896	100.00	0	100.00	456,114,168

The following table sets forth the details regarding the equity shareholding pattern of our Promoter and Promoter Group as on December 31, 2021:

Category & Name of the Shareholder*	No. of Shareholders	No. of fully paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
Sameer Gehlaut	1	1,200,000	0	1,200,000	0.26	1,200,000	0.26	0	0.26	1,200,000
SG Infralands Private Limited	0	0	0	0	0	0	0	0	0	0
SG Devbuild Private Limited	0	0	0	0	0	0	0	0	0	0
Jyestha Infrastructure Private Limited	0	0	0	0	0	0	0	0	0	0
Kritikka Infrastructure Private Limited	0	0	0	0	0	0	0	0	0	0
Dahlia Infrastructure Private Limited	0	0	0	0	0	0	0	0	0	0
Powerscreen Media Private Limited	0	0	0	0	0	0	0	0	0	0

Category & Name of the Shareholder*	No. of Shareholders	No. of fully paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
IBREL IBL Scheme Trust#	0	0	0	0	0	0	0	0	0	0
Karanbhumi Estates Private Limited	0	0	0	0	0	0	0	0	0	0
Meru Minerals Private Limited	0	0	0	0	0	0	0	0	0	0
Galax Minerals Private Limited	0	0	0	0	0	0	0	0	0	0
Total	1	1,200,000	0	1,200,000	0.26	1,200,000	0.26	0	0.26	1,200,000

* The Promoter and Promoter group of our Company have through their request letter dated January 1, 2022, sought reclassification from 'promoter and promoter group' category to 'public' category in accordance with Regulation 31A of the SEBI Listing Regulations. Such re-classification is subject to receipt of approval from the Stock Exchanges in accordance with SEBI Listing Regulations. For further information, please see "Proposed Merger of Nam Estates and EOCDPL with our Company - Re-classification of Promoter and Promoter Group" on page 182.

The following table sets forth the details regarding the equity shareholding of the members of the public as on December 31, 2021:

Category & Name of the Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
(1) Institutions										
(a) Mutual Funds	7	18,140,060	0	18,140,060	3.98	18,140,060	3.98	0	3.98	18,140,060
Quant Capital Trustee Ltd A/C Quant Mutual Fund-Tax Plan	1	9,510,400	0	9,510,400	2.09	9,510,400	2.09	0	2.09	9,510,400
Nippon Life India Trustee Ltd-A/C Nippon India Nifty Small Cap 250 Index Fund	1	5,665,131	0	5,665,131	1.24	5,665,131	1.24	0	1.24	5,665,131
(b) Venture Capital Funds	0	0	0	0	0.00	0	0.00	0	0.00	0
(c) Alternate Investment Funds	5	338,492	0	338,492	0.07	338,492	0.07	0	0.07	338,492
(d) Foreign Venture Capital Investors	0	0	0	0	0.00	0	0.00	0	0.00	0
(e) Foreign Portfolio Investors:	114	90,590,534	0	90,590,534	19.88	90,590,534	19.86	0	19.88	90,590,534

Category & Name of the Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of Securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
Baillie Gifford Pacific Fund A Sub Fund of Baillie	1	33,504,140	0	33,504,140	7.35	33,504,140	7.35	0	7.35	33,504,140
Pacific Horizon Investment Trust Plc	1	8,429,162	0	8,429,162	1.85	8,429,162	1.85	0	1.85	8,429,162
Jupiter India Fund	1	5,045,315	0	5,045,315	1.11	5,045,315	1.11	0	1.11	5,045,315
(f) Financial Institutions/Banks	3	636	0	636	0.00	636	0.00	0	0.00	636
(g) Insurance Companies	0	0	0	0	0.00	0	0.00	0	0.00	0
(h) Provident Funds/Pension Funds	0	0	0	0	0.00	0	0.00	0	0.00	0
(i) Any Other:	-	-	-	-	-	-	-	-	-	-
Sub Total (1)	129	109,069,722	0	109,069,722	23.93	109,069,722	23.91	0	23.93	109,069,722
(2) Central Government/State Government(s)/ President of India	0	0	0	0	0.00	0	0.00	0	0.00	0
Sub Total (2)	0	0	0	0	0.00	0	0.00	0	0.00	0
(3) Non-Institutions										
(a) i. Individual shareholders holding nominal share capital up to Rs.2 lakhs	260,042	141,364,392	0	141,364,392	31.02	141,364,392	30.99	0	31.02	141,362,664
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	162	64,554,672	0	64,554,672	14.17	64,554,672	14.15	0	14.17	64,554,672
Dishant Milanbhai Parikh	1	6,818,683	0	6,818,683	1.50	6,818,683	1.49	0	1.50	6,818,683
Rakesh Jhunjunwala	1	5,000,000	0	5,000,000	1.10	5,000,000	1.10	0	1.10	5,000,000
(b) NBFCs Registered with RBI	5	50,087	0	50,087	0.01	50,087	0.01	0	0.01	50,087
(c) Any Other:	10,224	136,359,315	0	136,359,315	29.92	136,359,315	29.90	0	29.92	136,359,315
(i) Non Resident Indians	2,622	6,736,702	0	6,736,702	1.48	6,736,702	1.48	0	1.48	6,736,702
(ii) Clearing Members	181	3,348,270	0	3,348,270	0.73	3,348,270	0.73	0	0.73	3,348,270
(iii) Bodies Corporates	1,821	113,886,663	0	113,886,663	24.99	113,886,663	24.97	0	24.99	113,886,663
Embassy Realty Ventures Private Limited	1	63,095,240	0	63,095,240	13.85	63,095,240	13.83	0	13.85	63,095,240
(iv) IEPF	1	296,218	0	296,218	0.06	296,218	0.06	0	0.06	296,218
(v) HUF	5,599	12,091,462	0	12,091,462	2.65	12,091,462	2.65	0	2.65	12,091,462

Category & Name of the Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
Sub Total (3)	270,433	342,328,466	0	342,328,466	75.12	342,328,466	75.05	0	75.12	342,326,738
Total Public Shareholding = (1)+(2)+(3)	270,562	451,398,188	0	451,398,188	99.05	451,398,188	98.97	0	99.05	451,396,460

The following table sets forth the details of our non-promoter, non-public shareholders as on December 31, 2021:

Category & Name of the Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form
(1) Custodian/DR Holder										
Deutsche Bank Trust Company Americas*	1	0	392,544	392,544	NA	392,544	0.09	0	NA	392,544
(2) Employee Benefit Trust										
Indiabulls Real Estate Limited - Employees Welfare Trust	1	3,125,164	0	3,125,164	0.69	3,125,164	0.69	0	0.69	3,125,164
Total Non-Promoter Non-Public Shareholding = (1)+(2)	2	3,125,164	392,544	3,517,708	0.69	3,517,708	0.77	0	0.69	3,517,708

* Equity shares underlying Global Depository Receipts (GDRs) held by the depository

The following table sets forth the details of disclosure made by the trading members holding 1% or more of the total number of shares of our Company as on December 31, 2021:

Sl. No	Name of the trading member	Name of the beneficial owner	Number of shares held	% of total number of shares	Date of reporting by the trading member
1	Nil	Nil	Nil	Nil	Nil

The following table shows the details of the significant beneficial owners as of December 31, 2021:

Details of the SBO (I)			Details of the registered owner (II)					Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
Name	PAN/ Passport No. in case of a foreign national	Nationality	Name	PAN / Passport No. in case of a foreign national	Nationality	Whether by virtue of:							
						Shares	Voting rights	Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence			
Jitendra Virwani	AAVPV0738P	Indian	Embassy Realty Ventures Private Limited	AAECE9186A	Indian Company	13.83	13.83	13.83	No	No	June 7, 2019		

Details of Depository Receipts as of December 31, 2021:

SL. No.	Type of Outstanding Depository Receipt(s)	No. of Outstanding Depository Receipts	No. of shares underlying the Outstanding Depository Receipts	Shares underlying Outstanding Depository Receipts as % of total no. of shares
1.	Global Depository Receipts (GDRs)	392,544	392,544	0.09
Total		392,544	392,544	0.09

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and Bidders are assumed to have apprised themselves of the same from our Company or the BRLMs. Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Eligible QIBs that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLMs and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "Selling Restrictions" and "Purchaser Representations and Transfer Restrictions" on pages 210 and 218, respectively.

Our Company, the BRLMs and their respective directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act and other applicable provisions of the Companies Act, a listed company may issue equity shares to Eligible QIBs provided that certain conditions are met by our Company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must *inter alia* specify that, (a) the allotment of the Equity Shares is proposed to be made pursuant to the QIP, and (b) the Relevant Date;
- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of Issue, the contribution made by the Promoter or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the Issue or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on Stock Exchange for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to seek approval of our Shareholders for the above-mentioned special resolution;
- invitation to apply in the Issue must be made through a private placement offer-cum-application form, serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- our Company shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., the Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the Issue will be made. The Issue must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;

- in accordance with the SEBI ICDR Regulations, the Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;
- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited; and
- our Promoter and Directors are not Fugitive Economic Offenders.

At least 10.00 % of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise their Bids downwards after the Bid/ Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The floor price of the equity shares issued under the QIP is not less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has also offered a discount of ₹5.28 per Equity Share in accordance with and in terms of Regulation 176 of the SEBI ICDR Regulations and pursuant to approval of our Board through its resolution dated December 22, 2021, and our Shareholders through a special resolution dated February 7, 2022.

The "Relevant Date" referred to above means the date of the meeting in which the Board or Fund Raising Committee decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares will be Allotted within 365 days from the date of the Shareholders' resolution approving the Issue and also within 60 days from the date of receipt of subscription money from the relevant Eligible QIBs.

The Equity Shares issued pursuant to the Issue must be issued on the basis of the Preliminary Placement Document and this Placement Document that shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document and this Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹2,500 million; and
- five, where the issue size is greater than ₹2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*Bid Process—Application Form*" on page 203.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We have filed a copy of the Preliminary Placement Document and will file a copy of this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorised and approved by our Board on December 22, 2021, and our Shareholders through a special resolution on February 7, 2022.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. For a description of certain restrictions on transfer of the Equity Shares, see “*Purchaser Representations and Transfer Restrictions*” on page 218.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On Bid / Issue Opening Date, our Company in consultation with the BRLMs have circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company shall maintain complete records of Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form was dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act.
2. The list of Eligible QIBs to whom the Application Form was delivered, was determined by our Company in consultation with the BRLMs. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.
3. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.
4. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Bid Amount transferred to the escrow account specified in the application form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the BRLMs.
5. Bidders will be required to indicate the following in the Application Form:
 - a representation that it is outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S and it has agreed to certain other representations set forth in the Application Form;
 - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;
 - number of Equity Shares Bid for;
 - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
 - Equity Shares held by the Bidder in our Company prior to the Issue;
 - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue; and
 - it has agreed to certain other representations set forth in the Application Form and this Placement Document.

NOTE: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

6. Eligible QIBs were required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of “*INDIABULLS REAL ESTATE LIMITED – QIP ESCROW A/C*” with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares was required to be made from the bank accounts of the relevant Bidders and our Company has kept the record of the bank account from where such payment has been received. No payment were made in the Issue by the Bidders in cash. Bid Amount payable on Equity Shares to be held by joint holders was required to be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder is not Allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Bid/Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in the section titled “- Refunds” on page 207.
7. Once a duly completed Application Form was submitted by a Bidder, whether signed or not, and the Bid Amount is transferred to the Escrow Account, such Application Form constituted an irrevocable offer and the Bid could not have been withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date was notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.
8. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, on or before the Bid/ Issue Closing Date, our Company has, in consultation with BRLMs determined the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLMs on behalf of our Company will send the serially numbered CAN and this Placement Document to the Successful Bidders. The dispatch of a CAN, and this Placement Document to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLMs.**
9. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required disclose the names of proposed Allottees and the percentage of their post-Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it.
10. Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.
11. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the BRLMs, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

12. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.
13. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
14. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.
15. Our Company will then apply for the final trading approvals from the Stock Exchanges.
16. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.
17. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLMs shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible QIBs

Only Eligible QIBs were eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules was considered as Eligible QIBs. FVCIs and non-resident multinational and bilateral development financial institutions were not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- Eligible FPIs;
- insurance companies registered with the Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions (which are resident in India);
- Mutual Funds, VCFs, AIFs, each registered with SEBI;
- pension funds with minimum corpus of ₹250 million;
- provident funds with minimum corpus of ₹250 million;
- public financial institutions as defined under Section 2(72) of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;
- systemically important non-banking financial companies; and
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India.

ELIGIBLE FPIs WERE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIs WERE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIS WERE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) should not exceed 10% of post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding of each FPI or an investor group shall be below 10% of the post-issue total paid-up Equity Share capital of our Company on a fully diluted basis.

Further, with effect from April 1, 2020, the limit of total holdings of all Eligible FPIs put together shall be the sectoral cap applicable to our Company, currently being 100% under the automatic route. As of December 31, 2021, the aggregate FPI shareholding in our Company is 19.86% of our Company's paid-up Equity Share capital on a fully diluted basis. For further details, see "*Shareholding Pattern of our Company*" on page 191.

In case the holding of an FPI including its investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. As per the circular issued by SEBI dated November 5, 2019 (circular no. IMD/FPI&C/CIR/P/2019/124), these investment restrictions shall also apply to subscribers of Offshore Derivative Instruments. Two or more subscribers of Offshore Derivative Instruments having a common beneficial owner shall be considered together as a single subscriber of the Offshore Derivative Instruments. In the event an investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI and Offshore Derivative Instruments investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The stock exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on page 210 and 218, respectively.

Currently, 100% FDI is permitted under the automatic route in the companies which are engaged in construction-development projects (including development of townships, construction of residential / commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure and townships) and industrial parks, subject to compliance with prescribed conditions. The conditions prescribed are as follows:

- ii. Each phase of the construction development project would be considered as a separate project;
- iii. The investor will be permitted to exit on completion of the project or after development of trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage. However, a person resident outside India will be permitted to exit and repatriate foreign investment before the completion of project under automatic route, provided that a lock-in period of three years, calculated with reference to each tranche of foreign investment has been completed. Further, transfer of stake from a person resident outside India to another person resident outside India, without repatriation of foreign investment will neither be subject to any lock-in period nor to any government approval;

- iv. The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules, and other regulations of the State Government or municipal or local body concerned;
- v. The Indian investee company will be permitted to sell only developed plots, i.e. plots where trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage, have been made available;
- vi. The Indian investee company shall be responsible for obtaining all necessary approvals, including those of the building/ layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/ bye-laws/ regulations of the State Government/ Municipal/ Local Body concerned; and
- vii. The State Government / municipal / local body concerned, which approves the building/ development plans, will monitor compliance of the above conditions by the developer.

Condition of lock-in period provided in (ii) above, does not apply to hotels and tourist resorts, hospitals, special economic zones, educational institutions, old age homes and investment by NRIs.

Additionally, foreign investment up to 100% under automatic route is permitted in completed projects for operating and managing townships, malls / shopping complexes and business centres. Consequent to such foreign investment, transfer of ownership and/or control of the investee company from persons resident in India to persons resident outside India is also permitted. However, there would be a lock-in-period of three years, calculated with reference to each tranche of foreign investment and transfer of immovable property or part thereof is not permitted during this period. Completion of the project will be determined as per the local bye-laws / rules and other regulations of State Governments.

Further, foreign investment in industrial parks (being a project in which quality infrastructure in the form of plots of developed land or built up space or a combination with common facilities, is developed and made available to all the allottee units for the purposes of industrial activity), in terms of the FEMA Rules, shall not be subject to the conditionalities applicable for construction development projects, provided the industrial parks meet the following conditions: (a) it shall comprise of a minimum of 10 units and no single unit shall occupy more than 50% of the allocable area; (b) the minimum percentage of the area to be allocated for industrial activity shall not be less than 66% of the total allocable area.

Please note that participation by non-residents in the Issue is restricted to participation by FPIs under Schedule II of the FEMA Rules, in the Issue subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit). Other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being our Promoter, or any person related to, the Promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

Our Company, the BRLMs and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs were advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document or this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations, and ensure compliance with applicable laws.

A minimum of 10.00% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: Affiliates or associates of the BRLMs who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the BRLMs in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this the Preliminary Placement Document, the Eligible QIB has been deemed to have made all the following representations and warranties and the representations, warranties and agreements made under “*Notice to Investors*”, “*Representations by Investors*”, “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 4, 6, 210 and 218, respectively:

1. Each Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. Each Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or promoter group or persons related to the Promoter;
3. Each Eligible QIB confirms that it has no rights under a shareholders’ agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the promoter;
4. Each Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
5. Each Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;
6. Each Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;
7. Each Eligible QIB confirms that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;
8. The Bidder confirms that in the event it is resident outside India, it is not an FVCI or a non-resident multilateral or bilateral development financial institution;
9. Each Eligible QIB confirms that its Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations;
10. Each Eligible QIB agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;
11. Each Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLMs. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
12. Each Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company has disclosed names as “proposed Allottees” and percentage of post-Issue shareholding of the proposed

Allottees in this Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that, disclosure of such details as “proposed Allottees” in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs.

13. Each Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:
 - (a) QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB; and
 - (b) ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
14. Each Eligible QIBs acknowledge that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.
15. Each Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.
16. Each QIB acknowledges, represents and agrees that its total voting rights in our Company does not exceed 10% of the total issued share capital of our Company.
17. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis.
18. Each Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN (IF APPLICABLE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BRLMs, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLMs TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BRLMs, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form, whether signed or not, and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document by our Company (by itself or through the BRLMs) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. The Bid Amount has to be deposited in the Escrow Account as is specified in the Application Form and the Application Form has to be submitted to the BRLMs either through electronic form or through physical delivery at the following address(s):

Name	Address	Contact Person	Website and Email	Phone (Telephone)
Axis Capital Limited	1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli, Mumbai – 400 025 Maharashtra, India	Sanjay Kathale	Website: www.axiscapital.co.in E-mail: sanjay.kathale@axiscap.in Investor Grievance E-mail: complaints@axiscap.in	Tel: +91 22 4325 5585
IIFL Securities Limited	10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West), Mumbai – 400 013 Maharashtra, India	Harsh Shah	Website: www.iiflcap.com E-mail: project.genesis@iiflcap.com Investor Grievance E-mail: ig.ib@iiflcap.com	Tel : +91 22 4646 4728
Jefferies India Private Limited	42/43, 2 North Avenue Maker Maxity, Bandra-Kurla Complex (BKC) Bandra (East), Mumbai – 400 051 Maharashtra, India	Aman Puri	Website: www.jefferies.com E-mail: IBREL.QIP@jefferies.com Investor Grievance E-mail: jipl.grievance@jefferies.com	Tel: +91 22 4356 6000
JM Financial Limited	7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai – 40025 Maharashtra, India	Prachee Dhuri	Website: www.jmfl.com E-mail: Prachee.dhuri@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com	Tel: +91 22 6630 3030 and +91 22 6630 3262
SBI Capital Markets Limited	202, Maker Tower “E” Cuffe Parade Mumbai – 400 005 Maharashtra, India	Akhilesh Yadav	Website: www.sbicaps.com E-mail: genesis@sbicaps.com Investor Grievance E-mail: investor.relations@sbicaps.com	Tel: +91 22 2217 8300

The BRLMs shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue, were required to pay the entire Bid Amount along with the submission of the duly completed Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of “*INDIABULLS REAL ESTATE LIMITED – QIP ESCROW A/C*” with the Escrow Agent, in terms of the Escrow Agreement. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in “*INDIABULLS REAL ESTATE LIMITED – QIP ESCROW A/C*” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event, a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in the section titled “- Refunds” on page 207.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. Our Company has also offered a discount of ₹5.28 per Equity Share in accordance with the approval of our Shareholders, accorded through their special resolution passed on February 7, 2022 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

The “Relevant Date” referred to above will be the date of the meeting in which the Board (or a duly constituted committee thereof) decides to open the Issue and “stock exchange” means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalisation of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and is filing such document with the Stock Exchanges as this Placement Document.

Build up of the Book

The Eligible QIBs has submitted their Bids through the Application Forms within the Issue Period to the BRLMs. Such Bids was not withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the BRLMs.

Method of Allocation

Our Company shall determine the Allocation in consultation with the BRLMs on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Application Forms received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10.00% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, Company in consultation with BRLMs have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BRLMs IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBs. ELIGIBLE QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BRLMs AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLMs ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLMs, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the details of amount to be refunded, if any, probable Designated Date, being the date of credit of the Equity Shares to the Bidders’ account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLMs.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in section “*Notice to Investors*” on page 4 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so

desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.
5. Following the credit of Equity Shares into the successful Bidders' beneficiary accounts with the Depository Participants, our Company will apply for the final listing and trading approvals from the Stock Exchanges.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act.
7. After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and is filing such document with the Stock Exchanges as this Placement Document, which includes names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN. In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the Income Tax Act, 1961. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the BRLMs, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLMs in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see “ - Bid Process” and “- Refunds” on pages 203 and 207, respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the BRLMs shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

Placement

The BRLMs have entered into the Placement Agreement with our Company, pursuant to which the BRLMs have agreed to procure subscription for the Equity Shares to be issued pursuant to the Issue.

The Equity Shares will be placed with the QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The BRLMs and their affiliates may engage in transactions with and perform services for our Company and our Subsidiaries or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and our Subsidiaries or affiliates, for which they would have received compensation and may in the future receive compensation.

Affiliates of the BRLMs which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. See “*Offshore Derivative Instruments*” and “*Representations by Investors*” on pages 12 and 6, respectively.

Relationship with the Book Running Lead Managers

Affiliates of the Book Running Lead Managers may purchase the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of Offshore Derivative Instruments. Please see the section “*Offshore Derivative Instruments*”. From time to time, the Book Running Lead Managers, and their affiliates and associates have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, banking, trading services for our Company, our Subsidiaries, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and their respective affiliates and associates.

Lock-up

Our Company has undertaken that it will not for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Managers, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depository in connection with a depository receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depository receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above. Provided that, the foregoing restriction shall not apply to (a) the amount unsubscribed against the Issue Size and (b) the actions taken in connection with the Proposed Merger.

SELLING RESTRICTIONS

The distribution of the Preliminary Placement Document and this Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of the Preliminary Placement Document and this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. The Preliminary Placement Document and this Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of the Preliminary Placement Document and this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document and this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under “*Purchaser Representations and Transfer Restrictions*” on page 218.

Republic of India

The Preliminary Placement Document and this Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. The Preliminary Placement Document and this Placement Document has not been and will not be registered as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) (“**Australian Corporations Act**”) and does not purport to include the information required of a disclosure document under the Australian Corporations Act. This Placement Document has not been lodged with the Australian Securities and Investments Commission (“**ASIC**”) and no steps have been taken to lodge it as such with ASIC. Any offer in Australia of the Equity Shares under this Placement Document may only be made to persons who are “sophisticated investors” (within the meaning of section 708(8) of the Australian Corporations Act), to “professional investors” (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

Any offer of the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder (or a Book Running Lead Manager) under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Equity Shares should observe such Australian on-sale restrictions.

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. The Issuer has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency (“**BMA**”) has not reviewed, nor has it approved, this Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

Cayman Islands

This Placement Document does not constitute a public offer of the Equity Shares, whether by way of sale or subscription, in the Cayman Islands. Each Book Running Lead Manager has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any Equity Shares to any member of the public in the Cayman Islands.

People’s Republic of China

This Placement Document may not be circulated or distributed in the People's Republic of China (the "PRC") and the Equity Shares may not be offered or sold directly or indirectly to any resident of the PRC, or offered or sold to any person for reoffering or resale directly or indirectly to any resident of the PRC except pursuant to applicable laws and regulations of the PRC. Neither this offering circular nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Managers for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Shares shall require the Issuer or the Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to any Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

This Placement Document has not been delivered for registration to the registrar of companies in Hong Kong, and its contents have not been reviewed or authorized by any regulatory authority in Hong Kong. Accordingly: (i) (a) the Equity Shares have not been and will not be offered or sold in Hong Kong, by means of any document, other than to persons that are considered "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under the SFO, or (b) in other circumstances which do not result in this document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong and as permitted under the SFO; and (ii) no invitation, advertisement or other document relating to the Equity Shares has been or will be issued (or possessed for the purpose of issue), whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made thereunder.

WARNING: The contents of this Placement Document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Issue. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a "qualified institutional investor" (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (shoninzu muke kanyu), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree falls under the Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (tekikaku kikan toshika muke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To subscribe the Equity Shares (the "**QII Equity Shares**") such offeree will be required to

agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Jordan

The Equity Shares are being offered in Jordan on a cross border basis based on a private one-on-one contacts to no more than 30 pre-identified potential investors and accordingly the Equity Shares will not be registered with the Jordanian Securities Commission and a local prospectus is not required. This Placement Document may not be used for a public offering in Jordan of the Equity Shares.

Republic of Korea

We are not making any representation with respect to the eligibility of any recipients of this Placement Document to acquire the Equity Shares therein under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. The Equity Shares have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea (the “FSCMA”). Accordingly, the Equity Shares may not be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term is defined under the Foreign Exchange Transaction Law of Korea and its Enforcement Decree), for a period of one year from the date of issuance of the Equity Shares, except (i) where relevant requirements are satisfied, the Equity Shares may be offered, sold or delivered to or for the account or benefit of a Korean resident which falls within certain categories of qualified professional investors as specified in the FSCMA, its Enforcement Decree and the Regulation on Securities Issuance and Disclosure promulgated thereunder, or (ii) as otherwise permitted under applicable Korean laws and regulations.

Furthermore, the Equity Shares may not be re-sold to Korea residents unless the purchaser of the Equity Shares complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Equity Shares.

Kuwait

This Placement Document is not for circulation in Kuwait and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in Kuwait. The Equity Shares have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority, the Ministry of Commerce and Industry or the Central Bank of Kuwait or any other relevant Kuwaiti government agency. The offering of the Equity Shares in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 31 of 1990 and the implementing regulations thereto (as amended), Ministerial Order No. 113 of 1992 and Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in Kuwait.

Luxembourg

The Equity Shares offered in the Placement Document may not be offered, sold or delivered to the public within the Grand Duchy of Luxembourg. This document is only intended for institutional investors. It is personal to each offeree and does not constitute an offer to any other person or to the public generally in Luxembourg to subscribe for or otherwise acquire the Equity Shares. Distribution of the Placement Document to any person other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without our prior written consent, is prohibited.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia (“**Commission**”) for the Commission’s approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of the

Placement Document is subject to Malaysian laws. This Placement Document do not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

The Equity Shares may not be offered, distributed or sold, directly or indirectly, in Mauritius or to any resident of Mauritius, except as permitted by applicable Mauritius law, including but not limited to the Mauritius Securities Act. No offer or distribution of securities will be made to the public in Mauritius.

New Zealand

This Placement Document are not a prospectus. It has not been prepared or registered in accordance with the Securities Act 1978 of New Zealand (the “**New Zealand Securities Act**”). This Placement Document are being distributed in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the New Zealand Securities Act (“**Habitual Investors**”). By accepting the Placement Document, each investor represents and warrants that if they receive the Placement Document in New Zealand they are a Habitual Investor and you will not disclose this Placement Document to any person who is not also a Habitual Investor.

Sultanate of Oman

This Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority (“CMA”) and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA. The offering and sale of Equity Shares described in this Placement Document will not take place inside Oman. This Placement Document strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof

Qatar (excluding the Qatar Financial Centre)

This Placement Document and the offering of the Equity Shares have not been, and will not be: (i) lodged or registered with, or reviewed or approved by, the Qatar Central Bank, the Qatar Financial Markets Authority the Ministry of Business and Trade or any other governmental authority in the State of Qatar or (ii) authorized, permitted or licensed for offering or distribution in Qatar, and the information contained in this Placement Document does not, and is not intended to, constitute a public or general offer or other invitation in respect to the Equity Shares in the State of Qatar. Accordingly, the Equity Shares are not being, and will not be, offered, issued or sold in the State of Qatar, and this Placement Document is not being, and will not be, distributed in the State of Qatar. The offering, marketing, issue and sale of the Equity Shares and distribution of this Placement Document is being made in, and is subject to the laws, regulations and rules of jurisdictions outside of the State of Qatar. No application has been or will be made for the Equity Shares to be listed or traded on the Qatar Exchange or the QE Venture Market.

This Placement Document is strictly private and confidential, and is being sent to a limited number of institutional and/or sophisticated investors (a) upon their request and confirmation that they understand the statements above; and (b) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Qatar Financial Centre

This Placement Document do not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Centre (the “**QFC**”), and accordingly should not be construed as such. This Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a “**Saudi Investor**”) who acquires Equity Shares pursuant to the Issue should note that the offer of Equity Shares is an offer to “Sophisticated Investors” (as defined in Article 11 of the “Offer of Securities Regulations” as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated October 4, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated August 18, 2008 (the “**KSA Regulations**”)) for the purposes of Article 9 of the KSA Regulations. Each Book Running Lead Manager has represented, warranted and agreed that the offer of the Equity Shares will only be directed at Sophisticated Investors. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

The offer of Equity Shares shall not therefore constitute a “public offer” pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired

Equity Shares as a Sophisticated Investor may not offer or sell those Equity Shares to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (a) the Equity Shares are offered or sold to a Sophisticated Investor; (b) the price to be paid for the Equity Shares in any one transaction is equal to or exceeds Saudi Arabian Riyal 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

South Africa

Due to restrictions under the securities laws of South Africa, the Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

- i. the offer, transfer, sale, renunciation or delivery is to:
 - (a) persons whose ordinary business is to deal in securities, as principal or agent;
 - (b) the South African Public Investment Corporation;
 - (c) persons or entities regulated by the Reserve Bank of South Africa;
 - (d) authorised financial service providers under South African law;
 - (e) financial institutions recognised as such under South African law;
 - (f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or
 - (g) any combination of the person in (a) to (f); or
- ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal, is equal to or greater than ZAR1,000,000.

No “offer to the public” (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the “**South African Companies Act**”)) in South Africa is being made in connection with the issue of the Equity Shares. Accordingly, this Placement Document does not, nor is it intended to, constitute a “registered prospectus” (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and the South African Companies Act Regulations of 2011 and has not been approved by, or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the Equity Shares in South Africa constitutes an offer of the Equity Shares in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from “offers to the public” set out in section 96(1)(a) or (b) of the South African Companies Act. Accordingly, this Placement Document must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) or (b) of the South African Companies Act (such persons being referred to as “**SA Relevant Persons**”). Any investment or investment activity to which this Placement Document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA Relevant Persons.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, No. 37 of 2002 (as amended or re-enacted) and should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction in respect of the Equity Shares is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

No South African resident or offshore subsidiary of a South African resident may subscribe for or purchase any of the Equity Shares or beneficially own or hold any of the Equity Shares unless specific approval has been obtained from the financial surveillance department of the South African Reserve Bank (the “**SARB**”) by such persons or such subscription, purchase or beneficial holding or ownership is otherwise permitted under the South African Exchange Control Regulations or the rulings promulgated thereunder (including, without limitation, the rulings issued by the SARB providing for foreign investment allowances applicable to persons who are residents of South Africa under the applicable exchange control laws of South Africa).

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“**SIX**”) or on any other stock exchange or regulated trading facility in Switzerland. This Placement Document has been prepared without regard to the disclosure standards for issuance prospectuses under Article 652a or Article 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under Articles 27 ff. of the SIX Listing Manual or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares or the Issue may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares or the Issue or its have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Placement Document will not be filed with, and the Issue will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (“**FINMA**”),

and the Issue has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (“CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the Equity Shares.

The Equity Shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Placement Document, as well as any other offering or marketing material relating to the Equity Shares, is confidential and it is exclusively for the use of the individually addressed investors in connection with the offer of the Equity Shares in Switzerland and it does not constitute an offer to any other person. This Placement Document may only be used by those investors to whom it has been handed out in connection with the Issue described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in or from Switzerland.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, “**Promotion**”) of this Placement Document or the Equity Shares may be made to the general public in the United Arab Emirates (the “UAE”) unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the “SCA”) and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors’ Chairman Decision no. (3/R.M.) of 2017 (the “**Promotion and Introduction Regulations**”), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to non-natural person “Qualified Investors” (as such term is defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this Placement Document nor does any such entity accept any liability for the contents of this Placement Document.

In relation to its use in the UAE, this Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

Dubai International Financial Centre

The Placement Document relate to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority (“DFSA”) Rulebook. This Placement Document are intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Placement Document. The securities to which this Placement Document relate may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Placement Document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this Placement Document are strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC

Singapore

This Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B(1) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore – - The Equity Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

United Kingdom

In relation to the United Kingdom, no Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom, except that offers of Equity Shares may be made to the public in the United Kingdom at any time under the following exemptions under the UK Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Managers for any such offer; or
- (c) in any other circumstances falling within Section 86 of the Financial Services and Markets Act (“**FSMA**”),

provided that no such offer of Shares shall require the Issuer or the Book Running Lead Managers to publish a prospectus pursuant to Section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to any Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act.

Other restrictions

This Placement Document does not constitute an approved prospectus for the purposes of and as defined in section 85 of Financial Services and Markets Act 2000 (“**FSMA**”), has not been prepared in accordance with the prospectus rules issued by the Financial Conduct Authority (“**FCA**”) pursuant to section 73A of the FSMA and has not been approved by or filed with the FCA. The Equity Shares may not be offered or sold and will not be offered or sold to the public in the United Kingdom (within the meaning of section 85 and 102B of the FSMA) save in the circumstances where it is lawful to do so without an approved prospectus (within the meaning of section 85 of the FSMA) being made available to the public before the offer is made.

This Placement Document is not to be distributed, delivered or passed on to any person resident in the United Kingdom, unless it is being made only to, or directed only at (a) persons falling within the categories of “investment professionals” as defined in Article 19(5) of the Financial Services and Markets Act (Financial Promotion) Order 2005 as amended (the “**Financial Promotion Order**”), (b) persons falling within any of the categories of persons described in Article 49(2) of the Financial Promotion Order (high net worth companies, unincorporated associations etc), or (c) any other person to whom it may otherwise lawfully be made (all such persons together being referred to as “**relevant persons**”).

This Placement Document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Persons of any other description in the United Kingdom may not receive and should not act or rely on this Placement Document or any other marketing materials relating to the Equity Shares.

Potential investors in the United Kingdom are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Equity Shares and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

If the recipient of this Placement Document is in any doubt about the investment to which this Placement Document relates, they should consult a person authorized under the FSMA who specializes in advising on investing in securities.

United States

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and outside the United States only in an “offshore transaction” in reliance on Regulation S.

Other Jurisdictions

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document come are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

Due to the following restrictions, Bidders are advised to consult legal counsel prior to Bidding for the Equity Shares or making any offer, resale, pledge or transfer of the Equity Shares.

The Equity Shares Allotted in the Issue are not permitted to be sold for a period of one year from the date of Allotment, except on floor of the BSE or the NSE. Due to the following restrictions, investors are advised to consult legal counsel prior to making any resale, pledge or transfer of the Equity Shares, except if the resale of the Equity Shares is by way of a regular sale on the BSE or the NSE.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of all states and other jurisdictions of the United States.

Each other purchaser of the Equity Shares is deemed to have represented, agreed and acknowledged as follows:

1. You are outside the United States and are purchasing the Equity Shares in an “offshore transaction” as defined in Regulation S.
2. You are not an affiliate of our Company or a person acting on behalf of an affiliate of our Company.
3. You are not purchasing the Equity Shares as a result of any directed selling efforts (as defined in Regulation S), or any general solicitation or general advertising (as defined in Regulation D).
4. You will base your investment decision on a copy of the Preliminary Placement Document and this Placement Document. You acknowledge that neither our Company nor any of its affiliates nor any other person (including the BRLMs) or any of their respective affiliates have made or will make any representations, express or implied, to you with respect to our Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning our Company, the Issue or the Equity Shares, other than (in the case of our Company and its affiliates only) the information contained in the Preliminary Placement Document and this Placement Document. You acknowledge that you have not relied on and will not rely on any investigation by, or on any information contained in any research reports prepared by the BRLMs or any of their respective affiliates.
5. You acknowledge (or if acting for the account of another person, such person has confirmed that they acknowledge) that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States.
6. You agree, on your own behalf and on behalf of any accounts for which you are acting, that you will not reoffer, resell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S.
7. None of you, any of your affiliates nor any person acting on behalf of you or any of your affiliates, has made or shall make any directed selling efforts (as defined in Regulation S), or any general solicitation or general advertising (as defined in Regulation D), with respect to the Equity Shares.
8. You agree that, prior to any sale of the Equity Shares, you shall notify the purchaser of such Equity Shares or the executing broker, as applicable, (a) of any transfer restrictions that are applicable to the Equity Shares being sold, and (b) that the Equity Shares have not been and will not be registered under the U.S. Securities Act.
9. You shall notify the executing broker and any other agent involved in any resale of the Equity Shares of the forgoing restrictions applicable to the Equity Shares and instruct such broker or agent to abide by such restrictions.
10. You understand and acknowledge that our Company shall have no obligation to recognize any offer, sale, pledge or other transfer made other than in compliance with the restrictions on transfer set forth and described herein and that our Company may make notation on its records or give instructions to any transfer agent of the Equity Shares.
11. You agree to indemnify and hold our Company and the BRLMs and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
12. You understand that the foregoing representations, warranties, agreements, undertakings and acknowledgements are required in connection with United States and other securities laws and that our Company, BRLMs and their respective affiliates and others are entitled to rely upon the truth and accuracy of the representations, warranties, agreements, undertakings or acknowledgements contained herein. You agree that if any of the representations, warranties,

agreements, undertakings and acknowledgements made herein are no longer accurate, you shall promptly notify our Company and the BRLMs in writing. All representations, warranties, agreements, undertakings and acknowledgements you have made in this document shall survive the execution and delivery hereof.

Any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognized by our Company.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company, the BRLMs or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Stock Exchanges Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the SCR (SECC) Rules, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act, SEBI Listing Regulations and various guidelines and regulations issued by the SEBI and the stock exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies are required to ensure a minimum public shareholding at 25%. Further, where the public shareholding in a listed company falls below 25% at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017. It has evolved over the years into its present status as one of the premier stock exchanges of India.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (“**BOLT**”) facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading (“**NEAT**”), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The

SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information (“UPSI”). The SEBI Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations. The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations. The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, employees and directors, with respect to their shareholding in the company, and the changes therein. The board of directors of all listed companies are required to formulate and publish on the company’s website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations. Insider Trading Regulations prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum and Articles of Association and the Companies Act. Bidders are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share capital

The authorized share capital of our Company is ₹5,140,000,000 divided into 750,000,000 equity shares having a face value of ₹2 each and 364,000,000 preference shares having a face value of ₹10 each. For further details please see the section “*Capital Structure*” on page 76.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each Fiscal. Subject to certain conditions laid down by Section 123 of the Companies Act, no dividend can be declared or paid by a company for any Fiscal except out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of the company for any previous Fiscal(s) arrived in a manner laid down by the Companies Act and remaining undistributed or out of both or out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government.

Further, as per the Companies Act read with the Companies (Declaration and Payment of Dividend) Rules, 2014, in the event of inadequacy or absence of profits in any year, a company may declare dividend out of free reserves, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year; provided, this shall not apply to a company, which has not declared any dividend in each of the three preceding financial years (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of the paid up share capital of the company and free reserves of the company as per the most recent audited financial statement; (c) the amount so drawn shall be first utilised to set off the losses incurred by the company in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; and (d) the balance of reserves of the company after such withdrawal shall not fall below 15% of the company's paid up share capital as per the most recent audited financial statement of the company.

Our Board may retain any dividends on which our Company may have a lien and may apply the same towards the satisfaction of the debts or liabilities or engagement in respect of which the lien exists. No member shall be entitled to receive payment of interest and dividend in respect of his Equity Shares while any money may be due or owing from him to our Company and our Board may deduct from any dividend payable to any member all sums of money, if any, payable by him to our Company on account of calls in relation to the Equity Shares of our Company or otherwise. A transfer of Equity Shares shall not pass the right to any dividend declared therein before the registration of the transfer unless the registered holder of the Equity Shares authorises our Company to pay the dividend to the transferee.

According to the Articles of Association, dividends may be paid to the members according to their respective rights but the amount of dividend shall not exceed the amount recommended by our Board of Directors. However, our Company may declare a smaller dividend in the general meeting.

Unclaimed and unpaid dividend shall not be forfeited by our Company. Subject to applicable provisions of the Companies Act, if our Company has declared a dividend but which has not been paid or claimed or dividend warrant or such other instrument has not been posted within 30 days from the date of declaration to any member entitled to the payment of the dividend, our Company shall within seven days from the date of the expiry of the aforesaid 30 days period transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened in that behalf in any scheduled bank called unpaid dividend account.

The Equity Shares issued pursuant to the Preliminary Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by our Company.

Capitalisation of Profits and issue of bonus shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits the board of directors of a company subject to approval of shareholders in a general meeting to issue fully paid up bonus shares to its members out of (a) the free reserves of the company, (b) the securities premium account, or (c) the capital redemption reserve account. However, a company may capitalise its profits or reserves for issue of fully paid up bonus shares, provided: (a) its authorised by articles, (b) it has been, on the recommendation of the board of directors, been authorised by the shareholders in a general meeting, (c) it has not defaulted in payment of interest or principal in respect of fixed deposits or debt

securities issued by it, (d) it has not defaulted on payment of statutory dues such as contribution to provident fund, gratuity and bonus(e) there are no partly paid-up shares. The issue of bonus shares once declared cannot be withdrawn.

These bonus shares must be distributed to shareholders in proportion to the number of ordinary shares owned by them as recommended by the board of directors. No issue of bonus shares may be made by capitalising reserves created by revaluation of assets, and no bonus shares shall be issued in lieu of dividend. Further, any issue of bonus shares would be subject to the SEBI ICDR Regulations.

Our Company may by a resolution passed in a general meeting of the Shareholders, upon a recommendation by the Board, resolve to capitalise whole or any part of the amount for the time being standing to the credit of any of our Company's reserve accounts or to the credit of the statement of profit and loss or otherwise available for distribution and distribute amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions and that all or any part of such capitalized fund shall be applied on behalf of such shareholders in paying up any amounts for the time being unpaid on any Equity Shares held by such Shareholders and/or in paying up in full, unissued shares of our Company to be allotted and distributed, credited as fully paid up in the proportion aforesaid, provided that a share premium account and a capital redemption reserve fund may, for the purposes of the Article, be applied in the paying of any unissued shares to be issued to members of our Company as fully paid bonus shares.

Pre-Emptive Rights and Alteration of Share Capital

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. According to Section 62(1)(a) of the Companies Act such new shares shall be offered to existing Shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date the board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

Under the provisions of Section 62(1)(c) of the Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our shareholders in a general meeting.

The Articles of Association provide that our Company, subject to compliance with requirements under the Companies Act, or any other applicable law in force in the general meeting, from time to time, may consolidate, divide or sub-divide its share capital.

Our Articles of Association permit our Company, pursuant to an ordinary resolution in a general meeting, to sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, payment of capital or voting or otherwise over or as compared with the other or others. Subject as aforesaid, our Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled.

General Meetings of Shareholders

There are two types of general meetings of the shareholders, namely, AGM and EGM. Our Company is required to hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between two AGMs, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board of Directors may convene an EGM *suo motu* when it deems fit.

Notices, along with statement containing material facts concerning each special item, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to every member or the legal representative of a deceased member, auditors of the company and every director of the company, at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the shareholders entitled to vote. Further, a general meeting, other than an annual general meeting may be called after giving a shorter notice if consent is received, by the majority in number of shareholders of the company who are entitled to vote and who represent not less than 95% of the paid up share capital of the company. Unless, the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act

have to be physically complied with, unless exempted by appropriate authority.

Due to the outbreak of COVID-19 pandemic and the restrictions imposed on gathering of people through social distancing norms, the MCA, by way of its, General Circular No. 14/ 2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 8, 2021, MCA has permitted companies to hold annual general meetings through video conferencing or other audio visual means.

A company intending to pass a resolution relating to matters such as, but not limited to, amendments to the objects clause of the Memorandum, a variation of the rights attached to a class of shares or debentures or other securities, buy-backs of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in our Company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

At a general meeting, every member holding shares is entitled to vote through e-voting process. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to our Company's total paid up capital. The Chairman of the meeting has a casting vote or second vote.

Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form prescribed. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting. A proxy may not vote except on a poll and does not have a right to speak at meetings.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange.

Pursuant to the SEBI Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares shall be freely transferable, subject to applicable laws.

Directors

The Articles of Association provide that the number of Directors on the Board shall not be less than three and not more than 12. The Articles of Association also permit our Directors to appoint any other person as a director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number of 12, as fixed under the Articles of Association. However, any director so appointed shall hold office only up to the date of the next following annual general meeting of our Company but shall be eligible for re-election at such meeting.

Buy-back

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and any related SEBI guidelines issued in connection therewith.

Registration of Transfers and Register of Members

Our Company is required to maintain a register of members wherein the particulars of the members of our Company are entered. We recognize as shareholders only those persons whose names appear on the register of shareholders and cannot recognize any person holding any share or part of it upon any express, implied or constructive trust, except as permitted by law. In respect of electronic transfers, the depository transfers shares by entering the name of the purchaser in its books as the beneficial owner of the shares. In turn, the name of the depository is entered into our records as the registered owner of the shares. The beneficial

owner is entitled to all the rights and benefits as well as the liabilities with respect to the shares held by a depository. For the purpose of determining the shareholders, entitled to corporate benefits declared by our Company, the register may be closed for such period not exceeding 45 days in any one year or 30 days at any one time at such times, as the Board of Directors may deem expedient in accordance with the provisions of the Companies Act. Under the SEBI Listing Regulations of the stock exchanges on which our Company's outstanding Equity Shares are listed, our Company may, upon at least seven working days' (excluding the date of intimation and the record date) advance notice to such stock exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of Equity Shares and the delivery of certificates in respect thereof may continue while the register of shareholders is closed.

Liquidation Rights

In the event of our winding up, if the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital, at the commencement of the winding up, paid up or which ought to have been paid up on the shares issued upon special terms and conditions. On winding up, the preference shares issued by our Company shall rank in priority to Equity Shares but shall not be entitled to any further participation in profits or assets.

TAXATION

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO OUR COMPANY AND OUR SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

April 5, 2022

The Board of Directors
Indiabulls Real Estate Limited
Plot No. 448-451
Udyog Vihar, Phase V
Gurugram -122016
Haryana, India
(the “**Company**”)

Sub: Qualified Institutions Placement of equity shares of face value ₹ 2 each (“**Equity Shares**”) (such placement, the “**Issue**”) by Indiabulls Real Estate Limited (the “**Company**”) under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) and Sections 42 and 62 of the Companies Act, 2013.

1. The accompanying Statement of Possible Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as “the **Statement**”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2022 (hereinafter referred to as the “**Income Tax Regulations**”) has been prepared by the management of the Company in connection with the Issue, which we have attached for identification purposes.

Management’s Responsibility

2. The preparation of this Statement as of the date of our report which is to be included in the preliminary placement document and placement document, as amended or supplemented thereto (together, the “**Placement Documents**”) to be filed by the Company with the stock exchanges, the Securities and Exchange Board of India, and the Registrar of Companies, and any other authority (the “**Offer Document**”) is the responsibility of the management of the Company for the purpose set out in paragraph 10 below.
3. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor’s Responsibility

4. Our work has been carried out in accordance with Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI ICDR Regulations and the Companies Act 2013 (“**Act**”), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available as of April 5, 2022 to the Company, the shareholders of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI ICDR Regulations in connection with the Issue.

Inherent Limitations

7. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

The benefits mentioned in the accompanying statement in Annexure A are not exhaustive. Several of the benefits mentioned in Annexure A are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the Revenue Authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

8. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as of April 5, 2022 to the Company and its shareholders, in accordance with the Income Tax Regulations as at the date of our report.
9. Considering the matter referred to in paragraph 7 above, we are unable to express any opinion or provide any assurance as to whether:
 - (i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or
 - (ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.
 - (iii) The revenue authorities / courts will concur with the views expressed herein.

Restriction on distribution or Use

10. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Document, prepared in connection with the Issue to be filed by the Company with the concerned stock exchanges and should not be used by any other person or for any other purpose and is not designed nor intended to be a substitute for professional tax advice. Further it should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. We will not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom the annexed certificates are shown or into whose hands it may come without our prior consent in writing.

For Agarwal Prakash & Co.
Chartered Accountants
Firm Registration Number: 005975N

Prakash Agarwal
Partner
Membership No:084964
UDIN : 22084964AGKSVW7728
Place: New Delhi
Date: April 5, 2022

Annexure

THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (HEREINAFTER REFERRED TO AS THE “ACT”).

A. Special tax benefits available to the Company

1. Benefit available under section 115BAA of the IT Act

- Section 115BAA of the IT Act, provides that a domestic company can opt for a tax rate of 22% (plus applicable surcharge and cess) from financial year (‘FY’) 2019-20 [relevant to assessment year (‘AY’) 2020-21] onwards, provided the total income of such company is computed without claiming certain specified incentives/ deductions, as specified under section 115BAA(2)(i), carry forward and set-off of certain losses in relation to deductions referred to in 115BAA(2)(i), additional depreciation, etc. and claiming of depreciation determined in the prescribed manner under section 115BAA(3) of the Act.
- Further, in case the Company opts for section 115BAA of the IT Act, the provisions of Minimum Alternate Tax (‘MAT’) under Section 115JB of the IT Act do not apply and the MAT credit of the earlier year(s) is not available for carry forward and set-off.

2. Deduction in respect of inter corporate dividends - under section 80M of the IT Act

- A company availing the option under section 115BAA of IT Act is eligible to claim deduction under section 80M of the Act.
- In accordance with the provisions of Section 80M of the IT Act, deduction is available to a company against dividend income received from a domestic company or a foreign company or a business trust, to the extent dividend is distributed by the company up to one month prior to due date of furnishing the income-tax return under section 139(1) of IT Act for the relevant year.
- Further, no deduction is available against such sum in any other year.

3. Deduction under section 80JJAA of the IT Act

- In accordance with and subject to fulfilment of conditions as laid out under section 80JJAA of the IT Act, the Company may be entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

B. Special tax benefits available to Shareholders

1. There are no special tax benefits which may be available to the shareholders of the Company as per the provisions of the Act.

Notes:

1. These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders or material subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
 - i. the Company or its shareholders or material subsidiaries will continue to obtain these benefits in future;
 - ii. the conditions prescribed for availing the benefits have been/ would be met with; and
 - iii. the revenue authorities/courts will concur with the view expressed herein.

4. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

For Indiabulls Real Estate Limited

Anil Mittal

Chief Financial Officer

Place: Gurgaon

Date: April 5, 2022

LEGAL PROCEEDINGS

We are, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of, amongst others, civil suits (including consumer complaints), title and land disputes, criminal cases, writ petitions, tax proceedings, regulatory and statutory actions. These legal proceedings may have been initiated by us or by customers, business partners, regulators, or other parties, and are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals (including respective state's Real Estate Regulatory Authorities). We assess each such legal proceeding filed by or against us and monitor the legal position on an ongoing basis.

*There are no outstanding legal proceedings which have been considered material in accordance with our Company's 'Policy on Determination of Materiality' framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board pursuant to its resolution dated October 21, 2015. Additionally, solely for the purpose of the Issue, the following outstanding legal proceedings have been disclosed in this section of the Placement Document: (i) any outstanding actions (including show-cause notices) initiated by any regulatory and/ or statutory authorities such as SEBI and the Real Estate Regulatory Authority ("**RERA**") (other than any consumer cases) or such similar authorities or Stock Exchanges, involving our Company, our Subsidiaries or our Directors; (ii) all outstanding criminal litigation involving (which includes cases filed by and against) our Company, our Subsidiaries and our Directors; (iii) all outstanding civil litigation involving (which includes cases filed by and against) our Company, our Subsidiaries and Directors, where the amount involved exceeds 1.00% of the consolidated Net Worth of our Company for the financial year ended March 31, 2021 being ₹ 34,937.10 million, which is approximately equivalent to ₹349.37 million or above ("**Materiality Threshold**" and such proceedings "**Material Civil Proceedings**"). The Materiality Threshold was adopted by our Fund Raising Committee solely for the purpose of the Issue pursuant to its resolution dated April 7, 2022; (iv) a consolidated disclosure of all outstanding tax proceedings (including show cause notices) involving our Company and our Subsidiaries; and (v) any other litigation whether or not involving our Company, our Subsidiaries or our Directors, which may be considered material by our Company for the purposes of disclosure in this section of this Placement Document ("**Other Material Proceedings**").*

Except as disclosed elsewhere, this section of the Placement Document also discloses (i) any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act in the last three years preceding the year of this Placement Document involving our Company, our Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company or our Subsidiaries; (ii) any material fraud committed against our Company in the last three years, and if so, the action taken by our Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern of our Company or its future operations; (iv) any default by our Company (on a consolidated basis) including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of our Company under the Companies Act or the rules made thereunder; and (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any, will be disclosed.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, our Subsidiaries and our Directors as the case may be, have not been considered as litigation until such time that the above-mentioned entities are not impleaded as a defendant in litigation proceedings before any judicial forum.

*We are in the process of undergoing a scheme of amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act for the amalgamation of NAM Estates Private Limited ("**NAM Estates**") and Embassy One Commercial Property Developments Private Limited ("**EOCDPL**" and along with NAM Estates, "**Amalgamating Companies**").*

*For the purpose of disclosure in this section of the Placement Document, the following legal proceedings have been considered material and have been disclosed in connection with the Amalgamating Companies, Embassy East Business Park Private Limited ("**Embassy East**"), Embassy One Developers Private Limited ("**Embassy One**") and Summit Developers Private Limited ("**Summit**") (collectively, the "**Amalgamating Group**"): (i) all material outstanding criminal litigation involving (which includes cases filed by and against any of the Amalgamating Group ("**Material Criminal Proceedings - Amalgamating Group**"); (ii) all outstanding civil litigation involving (which includes cases filed by and against) any of the Amalgamating Group, where the amount involved exceeds 1.00% of the consolidated Net worth of our Company for the financial year ended March 31, 2021 being ₹ 34,937.10 million, which is approximately equivalent to ₹349.37 million or above; (iii) any outstanding litigation proceedings involving any of the Amalgamating Group, where no amount is involved is not quantifiable but, where an adverse outcome would, materially and adversely affect the business, operations, prospects, reputation or financial position of Amalgamating Group; (iv) all outstanding litigation involving the entities forming part of the Amalgamating Group, that may have an adverse impact on the Proposed Merger; (v) all outstanding actions (including show-cause notices) initiated by any regulatory and/or statutory authorities such as SEBI, the Real Estate Regulatory Authority (other than any consumer cases) or such similar authorities or Stock Exchanges, involving the Amalgamating Group; (vi) a consolidated disclosure of all outstanding tax proceedings (including show cause notices) involving the Amalgamating Group; and (vii) any other litigation*

, which may be considered material by the Amalgamating Group for the purposes of disclosure in this section of this Placement Document. Further, a consolidated disclosure of all outstanding civil matters where the nature of the litigation being with respect to title or ownership of land/property of the Amalgamating Group have also been included.

It is clarified that for the purposes of the above, pre-litigation notices received by any of the Amalgamating Group as the case may be, have not been considered as litigation until such time that the above-mentioned entities are not impleaded as a defendant in litigation proceedings before any judicial forum.

I. Litigation Involving our Company

Criminal proceedings against our Company

1. Deepak Gupta Education Trust through its Managing Trustee (“**Complainant**”) filed a complaint under Section 156(3) of the Code of Criminal Procedure, 1974 before the Chief Metropolitan Magistrate, Patiala House Court, New Delhi (“**Patiala House Court**”) against our Company, our Subsidiary Athena Infrastructure Limited and others (collectively “**Accused**”) seeking directions to be issued to station house officer of Connaught Place Police Station (“**P.S. Connaught Place**”) to register a first information report (“**FIR**”) for alleged offences punishable under Sections 403, 405, 406, 415, 418, 420 and 120-B of the Indian Penal Code for dishonestly and fraudulently inducing the Complainant to purchase a residential unit with respect to project “Indiabulls Enigma”. The Patiala House Court through its order dated November 9, 2020 (“**Impugned Order**”) dismissed the complaint filed before it. Aggrieved by the Impugned Order, the Complainant filed a revision petition before the District and Sessions Judge, Patiala House Court against the Accused, seeking to *inter-alia* (i) set aside the Impugned Order; and (ii) pass an order directing P.S. Connaught Place to register an FIR against the Accused.

Criminal proceedings by our Company

Please see “*Litigation Involving our Company – Other Material Proceedings involving our Company*” on page 232 for details regarding the first information report filed by our Company against Veritas Investment Research Corporation.

Material Civil Proceedings against our Company

As on the date of this Placement Document, there are no civil proceedings initiated against our Company which are above ₹349.37 million.

Material Civil Proceedings by our Company

Please see “*Litigation Involving our Company - Other Material Proceedings involving our Company*” below, for details regarding the suit for defamation filed by our Company in the High Court of Delhi at New Delhi against Veritas Investment Research Corporation and Neeraj Monga.

Other Material Proceedings involving our Company

1. On August 8, 2012, Veritas Investment Research Corporation (“**Veritas**”) published a report co-authored by Neeraj Monga dated August 1, 2012 and titled “Bilking India” (“**Report**”). It was submitted that the Report was based on factually incorrect data pertaining to our Company and Indiabulls Financial Services Limited (“**IFSL**”) (now merged with Indiabulls Housing Finance Limited (“**IHFL**”)) (collectively, “**Indiabulls Group**”), and thereby adversely impacted the price of the publicly traded shares of IHFL. A criminal complaint dated August 8, 2012 was registered at Police Station, Cyber Cell, Mumbai and a first information report was also registered by our Company on August 8, 2012 at the Police Station, Udyog Vihar, Gurgaon against Veritas, Neeraj Monga and another stating, *inter alia*, that Neeraj Monga threatened to publish the Report if the Indiabulls Group failed to pay him USD 50,000. Further, IHFL also published a press release on August 8, 2012, stating that the allegations made in the Report were factually incorrect and misleading. Subsequently, on August 5, 2014, Veritas and Neeraj Monga filed a claim in the Superior Court of Justice, Ontario, (“**SCJ, Ontario**”) against the Indiabulls Group claiming an aggregate of 110 lakhs Canadian Dollars as punitive damages on the grounds that the press release dated August 8, 2012 was false and defamatory. A motion challenging the jurisdiction of SCJ, Ontario has been filed by our Company and IHFL on February 27, 2015, which is currently pending in the SCJ, Ontario.

Additionally, our Company and IHFL had filed two civil suits for permanent injunction in the High Court of Delhi at New Delhi (“**Delhi High Court**”) praying for, *inter-alia*, the following directions (i) to permanently restrain Veritas and Neeraj Monga (collectively, “**Defendants**”) from continuing the proceedings initiated in the SCJ Ontario; and (ii) to permanently restrain them from initiating any other proceedings in the SCJ Ontario or any other Court. The Delhi High Court through its orders dated September 25, 2014 and October 27, 2014 granted interim relief by restraining the Defendants from proceeding with the suit filed in the SCJ, Ontario. However, by an order dated April 29, 2019, the Delhi High Court dismissed both the civil suits. IHFL has filed a regular first appeal in the Delhi High Court challenging the order dated

April 29, 2019.

Further, on May 16, 2014 our Company has filed a suit for defamation in the Delhi High Court against the Defendants in view of the false defamatory and malicious statements by them in the Report and have sought for (i) payment of damages aggregating to ₹ 2,000 million; (ii) declaration that the affidavits along with annexures filed by the Defendants and Nitin Mangal in the SCJ, Ontario be refrained from being referring to in the SCJ, Ontario and be set aside and declared null and void. The Delhi High Court through its order dated May 20, 2015 issued summons to the Defendants. The matter is currently ongoing. Subsequently, the Defendants filed an anti-suit injunction before the SCJ Ontario which was dismissed by the SCJ, Ontario by an order dated October 2, 2015, followed by order dated November 4, 2015, wherein the SCJ, Ontario imposed cost of 27,500 Canadian dollars to be paid in the favour of our Company and IHFL.

Regulatory and/or statutory proceedings involving our Company

As on the date of this Placement Document, there are no regulatory and/or statutory proceedings involving our Company.

Tax proceedings involving our Company

Nature of cases	Number of cases	Amount involved (in ₹ million)*
Direct Tax	6	110.52
Indirect Tax	4	270

* To the extent quantifiable

II. Litigation Involving our Subsidiaries

Criminal proceedings against our Subsidiaries

1. Satkul Enterprises Limited (“**Complainant**”) filed a complaint dated November 12, 2014 (“**Complaint**”) before the Ahmedabad Metropolitan Magistrate Court (“**Magistrate Court**”) against Indiabulls Limited, our Subsidiary Albina Real Estate Limited and others (“**Respondents**”) alleging *inter-alia* commission of criminal breach of trust, cheating and dishonestly inducing delivery of property under sections 406 and 412 respectively of the Indian Penal Code (“**IPC**”) for collecting money from the public at large under the guise of booking in “Indiabulls Riverside” (“**Project**”) in May 2010. The Magistrate Court through its order dated November 19, 2014, directed the registration of a first information report (“**FIR**”) against the Respondents. Subsequently, the Madhavpur Police Station registered an FIR on November 23, 2014 against Narendra Balwan Singh (in the capacity as the joint managing director of Indiabulls Limited), Vipun Bansal (in the capacity as the chief executive officer of Indiabulls Limited), Omprakash H. Agarwal (in the capacity as the director of Indiabulls Limited) and Ashish Jaswantra Mehta (in the capacity as the director of Albina Real Estate Limited) (collectively, “**Petitioners**”) for offences punishable under Sections 406, 409, 420, 120(B) and 506(1) of IPC. The Petitioners have filed a criminal petition in the High Court of Gujarat at Ahmedabad (“**Gujarat High Court**”) for quashing the proceedings initiated before the Magistrate Court and thereby filed an application praying for a stay on further proceedings. The Gujarat High Court by its order dated December 21, 2017 (“**Impugned Order**”) ordered for quashing the Complaint filed by the Complainant. The Complainant has challenged the Impugned Order by filing a special leave petition in the Supreme Court of India. The petition is yet to be listed before the Supreme Court of India.
2. Raghani Property Holdings Private Limited (“**RPHPL**”) filed a complaint dated April 19, 2017 before the Chief Metropolitan Magistrate, Calcutta (“**CMM, Calcutta**”) against our Subsidiary Lucina Land Development Limited (“**LLDL**”), certain employees of LLDL, Indiabulls Housing Finance Limited (“**IBHFL**”), and the directors, the promoter and certain key managerial persons of IHFL at the time, including Sameer Gehlaut, (collectively “**Accused**”), alleging commission of offences punishable under Sections 406, 409, 506, and 420 read with Sections 34 and 120-B of the IPC in relation to repayment of a loan extended by IHFL and unilaterally modifying the terms of the ‘interest subvention scheme’ under which RPHPL had availed loan from IBHFL for purchase of two apartments at “Indiabulls Greens” situated at Raigad, Maharashtra. The CMM, Calcutta took cognizance of the matter and transferred the matter to the Metropolitan Magistrate, 19th Court, Calcutta (“**MM Court, Calcutta**”) for enquiry and disposal. By an order dated April 25, 2017 (“**Impugned Order**”), the MM Court, Calcutta issued process against the Accused, LLDL and certain directors and executives of LLDL. Subsequently, the Accused filed a revision petition in the High Court of Calcutta, Criminal Revisional Jurisdiction (“**Calcutta High Court**”) seeking to: (i) quash the Impugned Order and the proceedings before the CMM, Calcutta; and (ii) to stay the proceedings before the MM Court, Calcutta. By an order dated July 5, 2017 (“**Stay Order**”), the Calcutta High Court granted a stay on proceedings for six weeks or until further orders with liberty to apply for extension of the stay order. The stay granted through the Stay Order was periodically extended by the orders of the Calcutta High Court and the Accused have submitted an application seeking grant of further extension of the stay. The application is currently pending with the Calcutta High Court.

3. Please see “*Litigation Involving our Company – Criminal proceedings against our Company*” on page 232 for details regarding the criminal proceedings initiated by Deepak Gupta Education Trust against Athena Infrastructure Limited under Sections 156(3) of the Code of Criminal Procedure, 1974.

Criminal proceedings by our Subsidiaries

1. One of our Subsidiaries, Zeus Estate Limited (“**Complainant**”) filed two criminal complaints under section 138 of the Negotiable Instruments Act before Chief Metropolitan Magistrate Court, New Delhi, against G. Samuel (“**Accused**”), in relation to dishonor of two cheques: (i) a cheque for an amount of ₹ 0.025 million dated January 22, 2008 and (ii) a cheque for an amount of ₹ 1,750 million dated April 1, 2008 (together as “**Cheques**”). The Complainant had entered into a memorandum of understanding dated June 14, 2007 (“**MOU**”) with the Accused for purchase of 300 acres spread in three villages situated at Superumbudur Taluk, Kanchipuram for a total consideration of ₹ 1,980 million. As per the conditions in the MOU and supplementary memorandum of understanding dated July 13, 2007 (“**Supplementary MOU**”), an advance amount of ₹ 20 million (“**Advance Amount**”) was paid to the Accused through two separate demand drafts amounting to ₹ 10 million each. The Complainant terminated the MOU and the Supplementary MOU and claimed a refund of the Advance Amount together with interest on account of the Accused failing to perform his part of the obligations under the MOU and the Supplementary MOU. The Accused promised to return the refund amount by issuing the Cheques and upon these payments becoming due, the Cheques were dishonored on account of payment stopped by the drawer in the corresponding bank account.
2. One of our Subsidiaries, Fama Land Development Limited (“**Complainant**”) filed a criminal complaint dated June 21, 2012 (“**Complaint**”) against K. Ponnuswamy (“**Accused**”) before the District Crime Branch, Thiruvallur District, Tamil Nadu (“**Thiruvallur Crime Branch**”) alleging commission of offences under Sections 420 and 468 of the Indian Penal Code for dishonestly selling a land parcel situated at Elavur village of Thiruvallur District (“**Disputed Land**”) by the Accused to the Complainant, Kailas Buildwell Private Limited, Karakoram Buildwell Private Limited, Kakoram Land Development Private Limited, Lucina Estate Private Limited, Triton Infrastructure Private Limited (collectively, “**Subsidiaries**”). Based on the aforementioned Complaint, a first information report dated May 21, 2013 was filed in Thiruvallur Crime Branch. The investigation officer, upon the conclusion of the investigation, filed his final report dated February 16, 2015 (“**Final Report**”) before the Judicial Magistrate-I, Ponneri (“**Judicial Magistrate**”), treating the Complaint as ‘mistake of fact’. Aggrieved by the Final Report, the Complainant filed a protest petition under section 173(8) of the Code of Criminal Procedure, 1974 in the Judicial Magistrate Court, Ponneri court seeking *inter-alia* (i) to reject the Final Report and (ii) order further reinvestigation of the case by the Thiruvallur Crime Branch.

Material Civil Proceedings against our Subsidiaries

1. Imagine Reality Private Limited (“**IRPL**”) has initiated an arbitration proceeding against Indiabulls Infraestate Limited (“**IIL**”) (together with IRPL as “**Parties**”) before the sole arbitrator, Justice Deepak Verma, under the six application forms executed between IRPL and IIL (“**Application Forms**”) pursuant to which six apartments (“**Apartments**”) of the residential project “Indiabulls Blu” (“**Project**”) were reserved in favor of IRPL for a sale price.

Further, IRPL had also executed five loan agreements (“**Loan Agreements**”) with Indiabulls Housing Finance Limited (“**IHFL**”) amounting to an aggregate of ₹ 3,420 million. The loans advanced to IRPL were loans against the Apartments and the proceeds from the Loan Agreements were utilised for the purpose of making payment towards the sale consideration of the Apartments. Both IIL and IRPL, as mortgagors, jointly executed two mortgage deeds and, as hypothecators, jointly executed two hypothecation deed each dated August 20, 2019 in favour of IHFL. Thus, upon execution of the Application Forms, and IRPL paying the entire sale price of the Apartments to IIL, the Application Forms constituted a final and binding agreement between the Parties.

Due to inordinate delays, deficiencies and sub-standard work by IIL, and further, IHFL issuing loan recall notices to IRPL and their respective co-borrowers and guarantors, including Rana Kapoor and his relatives, each dated March 9, 2020 (“**Recall Notices**”), on account of occurrence of a material adverse event as contemplated under the relevant facility documents.

Upon issuance of Recall Notices, IIL through its email dated March 25, 2020 (“**Email**”) to IRPL, called upon IRPL to (a) pay the stamp duty, registration charges and complete the formalities of the agreements of sale in respect of the Apartments; and (b) pay an amount of ₹ 12.50 million towards the outstanding dues/deposits of the Apartments.

Thereafter, IIL terminated the Application Forms as IRPL failed to fulfil the demands made by it in the Email. IRPL has demanded compensation along with interest for wrongful loss and unjust enrichment to itself and illegal termination of the Application Forms by IIL. The matter is currently pending.

2. Bliss Habitat Private Limited (“**BHPL**”) has initiated an arbitration proceeding against Indiabulls Infraestate Limited (“**IIL**”) (together with BHPL as “**Parties**”) before the sole arbitrator, Justice Deepak Verma, under the six application

forms executed between BHPL and IIL (“**Application Forms**”) pursuant to which six apartments (“**Apartments**”) of the residential project “Indiabulls Blu” (“**Project**”) were reserved in favor of BHPL for a sale price.

Further, BHPL had also executed five loan agreements (“**Loan Agreements**”) with Indiabulls Housing Finance Limited (“**IHFL**”) amounting to an aggregate of ₹ 3,100 million. The loans advanced to BHPL were loans against the Apartments and the proceeds from the Loan Agreements were utilised for the purpose of making payment towards the sale consideration of the Apartments. Both IIL and BHPL, as mortgagors, jointly executed two mortgage deeds and, as hypothecators, jointly executed two hypothecation deed, each deed dated August 20, 2019 in favour of IHFL. Thus, upon execution of the Application Forms, and BHPL paying the entire sale price of the Apartments to IIL, the Application Forms constituted a final and binding agreement between the Parties.

Due to inordinate delays, deficiencies and sub-standard work by IIL, and further, IHFL issuing loan recall notices to BHPL and their respective co-borrowers and guarantors, including Rana Kapoor and his relatives, each dated March 9, 2020 (“**Recall Notices**”), on account of occurrence of a material adverse event as contemplated under the relevant facility documents.

Upon issuance of Recall Notices, IIL through its email dated March 25, 2020 (“**Email**”) to BHPL, called upon BHPL to (a) pay the stamp duty, registration charges. and complete the formalities of the agreements of sale in respect of the Apartments; and (b) pay an amount of approximately ₹ 11.76 million towards the outstanding dues/deposits of the Apartments.

Thereafter, IIL terminated the Application Forms as BHPL failed to fulfil the demands made by it in the Email. BHPL has demanded compensation along with interest for wrongful loss and unjust enrichment to itself and illegal termination of the Application Forms by IIL. The matter is currently pending.

Material Civil Proceedings by our Subsidiaries

1. Fornax Real Estate Limited (“**Petitioner**”) entered into an agreement to sell dated February 4, 2008 with Chandigarh Spun Pipe Company and others (“**Respondents**”) (together with the Petitioner, “**Parties**”) for purchase of two industrial plot in Chandigarh for the development of a commercial complex (“**Property**”) for a value of ₹ 1,750 million (“**Deposit Money**”). The Petitioner made a part payment of ₹ 175 million to the Respondents (“**Part Payment**”) and the balance amount was to be paid in 6 months after conversion of plot from Industrial use to commercial use from Chandigarh Administration (“**Administration**”) by the Respondents upon payment of conversion fee. The Petitioner paid ₹ 49.3 million to the Administration as part conversion fee (“**Conversion Fee**”) for the conversion of Plots from industrial to commercial use. However, upon failure by the Respondents to get the Property converted within the stipulated time and the exorbitant increase in the Conversion Fee by the Administration, the Petitioners were constrained to terminate the Agreement and thus sought refund of the Part Payment from the Respondents and the Conversion Fee from the Administration.

Upon reference of the dispute to the sole arbitrator, S.D. Sinha (“**Sole Arbitrator**”) the Sole Arbitrator through his Award dated January 21, 2013 as modified on March 1, 2013 (“**Arbitral Award**”) awarded (i) forfeiture of the Deposit Money by the Respondents; (ii) additional damages to the tune of ₹ 4,534 million along with an interest rate of 9% per annum on account of loss in the value of property to the Respondents; (iii) a sum of ₹ 1 million by way of costs; and (iv) refund of the Conversion Fee, in favour of the Petitioner.

Pursuant to the Arbitral Award passed by the Sole Arbitrator, (i) a petition under Section 34 of the Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”) before the Additional District Judge, Chandigarh (“**Commercial Court**”) was filed by the Petitioner; (ii) applications under section 9 of the Arbitration Act (“**Applications**”) before the District Judge, Chandigarh (“**District Judge**”), for grant of additional interim protection was filed by the Respondents; and (iii) an execution petition seeking enforcement of the Arbitral Award before the District Court of Chandigarh (“**Executing Court**”) was filed by the Respondents.

The Commercial Court through its order dated November 14, 2017 (“**Impugned Judgment**”), partially allowed the petition under Section 34 of the Act, by modifying the Arbitration Amount to the extent that the Deposit Money was set aside. Aggrieved by the Impugned Judgment, both the Parties have filed their respective appeals under Section 37 of the Act and are currently pending adjudication before the High Court of Punjab and Haryana (“**High Court**”).

The District Judge through his order dated September 14, 2015 dismissed the Application and directed the Petitioner to furnish a bank guarantee of ₹ 550 million within a period of one month, the failure of which will disclose the Unique Identification Numbers of the debentures and that a first charge will automatically be created on the debentures in favour of the Respondents. On appeal, the High Court through its order dated August 28, 2017, dismissed the prayer of the Respondent to deposit the debentures in physical form by the Petitioner and held that the rights of the Respondent stands protected by the creation of an automatic charge over the debentures valuing ₹ 1114.10 million.

On the other hand, the Executing Court through its order dated February 15, 2020, directed, the Petitioner to physically deposit the debentures within 10 days and the Estate Officer, Chandigarh was directed to deposit the fixed deposit receipt of the Conversion Fee, which was in complete violation and ignorance of the earlier order dated August 28, 2017, passed by the High Court, whereby the prayer of the Respondent to deposit debentures in physical form had been categorically declined.

On appeal, the High Court pursuant to its order dated March 13, 2020 (“**Impugned Order**”) directed the Petitioner to deposit a Bank Guarantee of ₹ 400 million before the Executing Court within one month, pursuant to which no action will be taken against the Petitioner. Aggrieved, the Petitioner filed an SLP against the Impugned Order before the Supreme Court of India (“**Supreme Court**”). By an order dated January 19, 2021 (“**SC Order**”), the Supreme Court directed the Parties to maintain a status quo of the Impugned Order. Further, through an order dated March 29, 2022, the Supreme Court has disposed of the SLP and has directed the Parties to continue to maintain a status quo as directed through the SC order.

2. Sophia Real Estate Limited (“**Applicant**”) has filed a suit for declaration of title and permanent injunction against the State of Madhya Pradesh, National Textile Corporation Limited and Indore Municipal Corporation (together as “**Defendants**”) before the District Judge, Indore (“**District Judge**”) against alienation of property situated at Swadeshi Mills. Through an order dated June 18, 2014 (“**Impugned Order**”), the District Judge dismissed the application filed by the Applicant. Aggrieved by the Impugned Order, the Applicant has filed a revision petition dated July 16, 2014 in the High Court of Madhya Pradesh, Jabalpur (“**MP High Court**”) seeking to set aside the Impugned Order.

Other Material Proceedings involving our Subsidiaries

As on the date of this Placement Document, there are no Other Material Proceedings involving our Subsidiaries.

Regulatory and/or statutory proceedings involving our Subsidiaries

1. Andhra Pradesh Real Estate Regulatory Authority (“**Authority**”) has issued a show-cause notice dated March 9, 2020 (“**SCN**”) to Airmid Real Estate Limited (“**AREL**”) and the promoters of AREL in terms of section 35 of the Real Estate (Regulation and Development) Act, 2016 (“**RERA Act**”). The SCN calls for an explanation in writing for the alleged irregularities committed by AREL with respect to the construction of the project “Indiabulls Sierra” (“**Project**”), which are alleged to be in violation of the RERA Act and the Andhra Pradesh Real Estate (Regulation and Development) Rules, 2017. The alleged irregularities *inter-alia* pertains to making a false submission by the promoters of AREL, stating that there is no delay in constructing the Project and thereby misleading the customers by saying that the Authority has given timeline to complete the Project till 2020. The SCN further states that the failure in submission of explanation in writing would result in the Authority initiating appropriate legal proceedings against the promoter and imposing penalty. AREL filed its response to the SCN on August 13, 2020. The matter is currently pending.
2. Airmid Real Estate Limited (“**AREL**”) received a notice of demand dated October 26, 2018 (“**Demand Notice 1**”) from Greater Vishakhapatnam Municipal Corporation (“**GVMC**”) with respect to the plot situated at Madhurawada village, Chinagadila Madal, Vishakhapatnam (“**Subject Land**”), directing AREL to make payment towards vacant land tax (“**VLT**”) under Section 199(3) of the Greater Hyderabad Municipal Corporation Act, 1955 for an amount ₹ 5.485 million along with interest, for the financial years 2017 to 2019. Through its response dated November 16, 2018 (“**Response 1**”), AREL submitted that they are not liable to pay vacant land tax as (i) AREL had already obtained the building permit from GVMC with respect to the Subject Land and (ii) that the Subject Land was never vacant from September 2015 onwards and VLT for the period up to the financial year 2016 has already been paid by AREL. Moreover, Response 1 placed reliance on the order (“**Order**”) passed by the High Court of Andhra Pradesh (“**AP High Court**”) in the petition filed by Blue Nile Developers Private Limited (“**Petitioner**”) against GVMC, wherein the AP High Court held that the Petitioner is not liable to pay VLT for the period after the grant of the building permission by GVMC. Aggrieved by the Order, GVMC has filed an appeal (“**Appeal**”) in the AP High Court and that AREL shall conclude matter raised through the Demand Notice 1 post the disposal of the Appeal or any further appeal thereto. Subsequently, AREL received another notice of demand dated February 14, 2019 (“**Demand Notice 2**”) from GVMC with respect to the Subject Land directing AREL to make a payment towards VLT for ₹ 4.56 million along with interest for the financial year 2019. Through its letter dated February 23, 2019, AREL reiterated that they await the final order of the aforementioned proceedings against GVMC filed by the Petitioner. The matter is currently pending.
3. The Directorate of Enforcement, Ahmedabad (“**ED**”) recorded a case against Sigma Forex Private Limited (“**SFPL**”), Ankurbhai G Patel (in the capacity as the director of SFPL), Inaben Patel and others (collectively, “**Accused**”) and initiated further investigation under the provisions of the Prevention of Money Laundering Act, 2002 (“**PMLA, 2002**”) in relation to the alleged commission of offences under Sections 120-B and 420 of the Indian Penal Code for duping the general public to invest with false promise of high return of investments aggregating to an amount of ₹ 77.60 million (“**Invested Amount**”). During the investigation carried out by the ED, it was noted that Ankurbhai G Patel purchased an immovable property from our Subsidiary Sentia Infrastructure Limited (“**SIL**”) for an amount of ₹ 3.00 million (“**Purchase Amount**”) and the payment of such Purchase Amount was made from the Invested Amount. The ED, upon the conclusion of the

investigation, passed a provisional attachment order dated July 7, 2018 (“**Provisional Attachment Order**”), directing the Accused and SIL (collectively “**Respondents**”) to deposit the Purchase Amount in the form of Fixed Deposit with HDFC Bank Limited, Mumbai branch and standing to the credit of SIL. Subsequently, ED has filed a complaint under section 5(5) of the PMLA, 2002 (“**Complaint**”) before the Adjudicating Authority against the Respondents.

Tax proceedings involving our Subsidiaries

Nature of cases	Number of cases	Amount involved (in ₹ million)*
Direct Tax	29	451.78
Indirect Tax	27	312.21

* To the extent quantifiable

Consumer Cases

There are 149 consumer cases involving our Subsidiaries. Out of the 149 consumer cases, our Company is jointly involved with our Subsidiaries in 45 cases. These matters have been initiated under various provisions of the Consumer Protection Act, 1986, which are pending at the various Consumer Fora. These matters, *inter-alia* pertain to performance of certain contractual terms, compensation for alleged non-performance of our Company’s duties, alleged deficiency of service, interest claims for delay in handing over property, damages, etc.

RERA Cases

There are 173 legal proceedings involving our Subsidiaries. Out of the 173 RERA cases, our Company is jointly involved with our Subsidiaries in 6 cases. These matters have been initiated by our customers, business partners, regulators, or other parties, and are pending at different levels of adjudication before various courts, adjudicating officers as provided under sections 18 and 19 of the Real Estate (Regulation and Development) Act, 2016, including respective State’s Real Estate Regulatory Authorities and the Real Estate Appellate Tribunal.

Other material litigation which are considered to be material by our Company

1. Trafigura Global Services Private Limited (“**Complainant**”) initiated an arbitration proceeding against Indiabulls Properties Private Limited (“**IPPL**”), an erstwhile subsidiary of our Company, before the arbitral tribunal comprising of retired Justice V. Khare, retired Justice S.P Bharucha and retired Justice Deepak Verma (collectively, the “**Arbitral Tribunal**”), in relation to the termination of the lease deed dated June 20, 2014 (“**Lease Deed**”) before the expiry of the lock-in period by the Complainant for taking on lease certain floors of the project “Indiabulls Center”, situated at Mumbai (“**Property**”), which was managed by IPPL citing fundamental and structural design defects in the Property, which has rendered it unfit or not safe for occupation and/or use. The Complainant is seeking, *inter-alia*, (i) that the termination of the Lease Deed be made valid; and (ii) an award for a sum amounting to ₹ 1536.15 million along with interest be paid by IPPL. Subsequently, IPPL has made a counter claim of ₹ 3073.02 million along with interest for unpaid rent for the balance lock-in period, damages caused as a result of fit-outs, brokerage, stamp duty and compensation for loss of goodwill and reputation, etc. In connection with the transfer of shares held by our Company in IPPL, our Company has indemnified the acquirer of any obligations attached to the outcome of the foregoing legal proceeding.
2. Inspector General of Registration, Pune has issued a show-cause notice dated December 20, 2017 demanding payment of ₹ 28.00 million from Indiabulls Properties Private Limited (“**IPPL**”), an erstwhile subsidiary of our Company, towards alleged deficit stamp duty in relation to an agreement for sale dated March 12, 2012 entered into between IPPL and National Textile Corporation Limited. In connection with the transfer of shares held by our Company in IPPL, our Company has indemnified the acquirer of any obligations attached to the outcome of the foregoing legal proceeding.

III. Litigation involving our Directors

Criminal proceedings against our Directors

Except as disclosed below, there are no criminal proceedings involving our Directors.

Mehul Johnson

1. Lease Plan India Private Limited and another (“**Complainants**”) filed a complaint in the Court of Chief Metropolitan Magistrate, New Delhi (“**CMM, New Delhi**”), against Store One Retail India Limited (erstwhile Indiabulls Retail Services Limited and Piramyd Retail Limited) (“**Store One**”), Sameer Gehlaut, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Anil Lepps, Mehul C. Johnson, Aishwarya Katoch, Mukul Bansal and Karan Singh, each impleaded in their capacity as directors of Store One (collectively, “**Accused**”), alleging the commission of offence punishable under Sections 406, 420

and 120-B of the IPC and seeking to issue summons to the Accused to face trial and award compensation in terms of Section 357 of CrPC. Additionally, the Complainants filed an application dated April 24, 2012 before the Chief Judicial Magistrate, New Delhi, seeking for directions to be given to the concerned police station to register a first information report. By an order dated March 30, 2017 ("**Impugned Order**"), the CMM New Delhi dismissed the complaint filed before it. Subsequently, the Complainants have filed an application in the High Court of Delhi, New Delhi, seeking to quash the Impugned Order and issue summons to the Accused to face trial for offences under Sections 406, 420 and 120-B the IPC.

Criminal proceedings by our Directors

As on the date of this Placement Document, there are no criminal proceedings initiated by our Directors.

Material Civil Proceedings against our Directors

As on the date of this Placement Document, there are no civil proceedings initiated against our Directors which are above ₹349.37 million.

Material Civil Proceedings by our Directors

As on the date of this Placement Document, there are no civil proceedings initiated by our Directors which are above ₹349.37 million.

Other Material Proceedings involving our Directors

As on the date of this Placement Document, there are no Other Material Proceedings involving the Directors.

Regulatory proceedings involving our Directors

As on the date of this Placement Document, there are no regulatory proceedings involving our Directors.

IV. Except as disclosed below, there are no litigation, inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company and / or our Subsidiaries in the last three years preceding the year of this Placement Document:

Please see "*V. Prosecutions filed against, fines imposed on, or compounding of offences by our Company and/or our Subsidiaries under the Companies Act in the last three years preceding the date of this Placement Document*" below, for details pertaining to the 10 show cause notices issued by the Office of Registrar of Companies, NCT of Delhi and Haryana, Ministry of Corporate Affairs, Government of India, Northern Region, New Delhi.

V. Except as disclosed below, there are no prosecutions filed against, fines imposed on, or compounding of offences by our Company and/or our Subsidiaries under the Companies Act in the last three years preceding the year of this Placement Document

1. The Office of Regional Director, Ministry of Corporate Affairs, Government of India, Northern Region, New Delhi, ("**Regional Director, MCA**"), conducted inspection of the records and documents pertaining to the financial years 2015 to 2017 of our Company under Section 206 (5) of the Companies Act. The Regional Director, MCA identified certain non-compliances under Sections 77, 79, 92 read with 62, 118, 129, 133, 134, 139, 153, 184 and 203 of the Companies Act, 2013 ("**Companies Act**") and certain applicable rules made thereunder, certain applicable accounting standards issued by the Institute of Chartered Accountants of India ("**ICAI**") and certain applicable secretarial standards issued by the Institute of Company Secretaries of India ("**ICSI**") pertaining to the financial years 2015 to 2019.

Pursuant to the inspection, RoC, NCT of Delhi and Haryana, Ministry of Corporate Affairs, Government of India, Northern Region, New Delhi, ("**RoC, MCA**") issued 10 show cause notices, each dated February 17, 2021 ("**Show Cause Notices**") addressed to our Company, seeking clarification from our Company, along with documentary evidence within 10 days from date of issue of the Show Cause Notices.

Subsequently, our Company filed (i) 12 compounding applications under Section 441 of the Companies Act ("**Compounding Applications**") for the eight show-cause notices received from the RoC, MCA; and (ii) two adjudicating applications under Section 454 of the Companies Act ("**Adjudicating Applications**") for two show-cause notice received from the RoC, MCA.

The Regional Director, MCA disposed the Compounding Applications with directions to our Company to pay compounding fees of (i) ₹ 67,000 for the offence committed under Section 153 of the Companies Act; (ii) ₹ 40,000 for the offence committed under Section 139 of the Companies Act read with Rule 3 of Companies (Audit and Auditors)

Rules, 2014; (iii) ₹ 10,000 for the offence committed under Section 92 read with Section 62 of the Companies Act; (iv) ₹ 1,15,000 for the offence committed under Section 203(3) of the Companies Act; (v) ₹ 2,00,000 for the offence committed under Section 77 of the Companies Act; (vi) ₹ 2,00,000 for the offence committed under Section 79 of the Companies Act; (vii) ₹ 500 for the offence committed under Section 118 of the Companies Act read with SS-1 issued by ICSI; (viii) ₹ 2,01,000 each for the five compounding applications, each filed for the offence committed under Section 134 of the Companies Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

Further, with respect to the Adjudicating Applications, the Adjudicating Officer, RoC, NCT of Delhi and Haryana through an order directed to pay a penalty of: (i) ₹ 1,50,000 for non-compliance of Section 118 read with Section 454(3) of the Companies Act; and (ii) ₹ 1,50,000 for non-compliance of Section 118 of the Companies Act read with Secretarial Standards issued by ICSI.

- VI. As on the date of this Placement document, there have not been any acts of material frauds committed against our Company in the last three years preceding the year of this Placement Document.*
- VII. There have been no defaults by our Company (on a consolidated basis) in respect of repayment of (i) statutory dues; (ii) debentures (including interest thereon); (iii) deposits (including interest thereon); and (iv) loans (including interest thereon), as on the date of this Placement Document.*
- VIII. There is no litigation or legal action pending or taken against our Promoter by any ministry or department of the government or any statutory authority in the last three years immediately preceding the year of circulation of this Placement Document and directions issued by such ministry or department of the government or statutory authority upon conclusion of such litigation or legal action.*
- IX. As on the date of this Placement Document, our Company has not defaulted in submitting the annual filings under the Companies Act or rules made thereunder.*
- X. As on the date of this Placement Document, neither us, nor our Promoter or Directors are willful defaulters or fraudulent borrowers.*
- XI. As on the date of this Placement Document, none of the Promoter or Directors of our Company are fugitive economic offenders.*
- XII. There have been no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.*
- XIII. There are no reservations or qualifications or adverse remarks of auditors of our Company in the last five financial years immediately preceding the year of this Placement Document.*

XIV. Litigation involving the Amalgamating Group

Material Criminal Proceedings - Amalgamating Group

1. Dasamma N.S. and Ramachandra (“**Petitioners**”) have filed a suit of partition and separate possession of land situated at Nagamangala Village, Kundan Hobli, Devanahalli Taluk, Bangalore Rural District (“**Property**”) in the Court of Principal Civil Judge, Devanahalli (“**Devanahalli Trial Court**”) against Embassy group of companies, Nagaraj and others (“**Defendants**”). Through an order dated September 28, 2015 (“**Impugned Order 1**”), the Devanahalli Trial Court held that each of the Petitioners were entitled to one-eight share in the Property. Aggrieved by the Impugned Order, the Defendants filed an appeal in the Court of the Senior Civil Judge (“**Devanahalli Appellate Court**”), seeking to set aside the Impugned Order. Through an order dated November 02, 2017 (“**Impugned Order 2**”), the Devanahalli Appellate Court admitted the appeal and granted a stay on the Impugned Order 1. Aggrieved by the Impugned Order 2, the Petitioners filed an appeal in the High Court of Karnataka (“**Karnataka High Court**”). The Defendants, along with certain third parties, have also initiated a separate appeal in the Karnataka High Court challenging the Impugned Order 1.

While the aforementioned appeals were pending adjudication, the Petitioners filed a criminal complaint against the Defendants before the Judicial Magistrate First Class, Devanahalli (“**JMFC**”) alleging commission of offences under Sections 120-B, 144, 415, 416, 420, 423, 429, 431, 432, 463, 464, 466, 467, 468 and 471 of the Indian Penal Code for fraudulently executing a sale deed with respect to the Project in favor of Embassy group of companies. The JMFC through its order dated July 23, 2016 directed the Viswanathapura Police Station to investigate further into the matter. Subsequently, the Embassy group of companies has filed a petition before the Karnataka High Court praying to quash the Complaint.

Civil Proceedings involving the Amalgamating Group

Please see “*Litigation Involving the Amalgamating Group –Material Criminal Proceedings - Amalgamating Group*” on

page 239 for details regarding the civil suit of partition and separate possession of land filed by Dasamma N.S. and Ramachandra against the Embassy group of companies.

Regulatory and/or statutory proceedings involving the Amalgamating Group

1. Karnataka Real Estate Regulatory Authority has issued a show-cause notice dated March 7, 2022 (“SCN”) to NAM Estates in terms of section 35 of the Real Estate (Regulation and Development) Act, 2016 with respect to the status of progress of Project Embassy Springs, Phase-1 (“**Project**”), seeking clarification along with documentary evidence within 10 days from the date of issue of the SCN for the non-completion of the Project and that no Occupancy Certificate has been obtained by NAM Estates within the period of validity of registration. NAM Estates has submitted its response through its letter dated March 30, 2022, to the SCN.
2. Karnataka Real Estate Regulatory Authority has issued a show-cause notice dated March 7, 2022 (“SCN”) to Embassy One in terms of section 35 of the Real Estate (Regulation and Development) Act, 2016 with respect to the status of progress of Project Embassy One (“**Project**”), seeking clarification along with documentary evidence within 10 days from the date of issue of the SCN for the non-completion of the Project and that no Occupancy Certificate has been obtained by Embassy One within the period of validity of registration. Embassy One has submitted its response through its letter dated March 30, 2022, to the SCN

Tax Proceedings involving the Amalgamating Group

Nature of cases	Number of cases	Amount involved (in ₹ million)*
Direct Tax	5	542.90
Indirect Tax	1	57.32

* To the extent quantifiable.

Other civil proceedings

1. NAM Estates

There are 119 civil matters where the nature of the litigation being with respect to title or ownership of land/property of NAM Estates, and the amount involved in these matters cannot be quantified. Further, none of these outstanding proceedings involving the NAM Estates are material in nature.

2. Embassy East

There are five civil matters where the nature of the litigation being with respect to title or ownership of land/property of Embassy East, and the amount involved in these matters cannot be quantified. Further, none of these outstanding proceedings involving the Embassy East are material in nature.

OUR STATUTORY AUDITORS

Our Company's Statutory Auditors, Agarwal Prakash & Co., Chartered Accountants, are independent auditors with respect to our Company, as required by the Companies Act and in accordance with the guidelines issued by the ICAI.

The Limited Reviewed Unaudited Consolidated Financial Results, Limited Reviewed Unaudited Standalone Financial Results, audited consolidated financial statements and audited standalone financial statements for Fiscal 2021 have been reviewed and audited, as applicable, by our Statutory Auditors.

The audited consolidated financial statements and audited standalone financial statements for Fiscals 2020 and 2019 have been audited by our erstwhile statutory auditors, Walker Chandiok & Co LLP.

GENERAL INFORMATION

- Our Company was incorporated as Indiabulls Real Estate Limited, under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 4, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi (“RoC”) and commenced its business on May 24, 2006 pursuant to a certificate of commencement of business issued by RoC.
- Our registered office is located at Plot No. 448-451, Udyog Vihar, Phase V, Gurugram -122016, Haryana, India.
- The address of our Company’s registered office was changed from M-62&63, First Floor, Connaught Place, New Delhi – 110 001, to Plot No. 448-451, Udyog Vihar, Phase V, Gurugram -122016, Haryana, India with effect from February 26, 2021.
- Our CIN is L45101HR2006PLC095409. The website of our Company is www.indiabullsrealestate.com.
- Our corporate office is located at WeWork, Vaswani Chambers, 264/265, Dr. Annie Besant Road, Worli, Mumbai – 400 030, Maharashtra, India.
- Our Equity Shares are listed on BSE and NSE since March 23, 2007.
- The Issue was authorised and approved by our Board of Directors on December 22, 2021. Our Shareholders have approved the Issue by way of a special resolution on February 7, 2022.
- Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from each of BSE and NSE on April 7, 2022, to list the Equity Shares issued pursuant to the Issue on the Stock Exchange. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.
- Our Global Depository Receipts are listed on the Luxembourg Stock Exchange.
- Copies of our Memorandum and Articles of Association will be available for inspection between 10:00 am to 5:00 pm on any weekday (except Saturdays and public holidays) during the Issue Period at our Registered Office and Corporate Office.
- Except as disclosed in this Placement Document, there has been no material adverse change in our financial position since December 31, 2021, the date of the Limited Reviewed Unaudited Consolidated Financial Results included in this Placement Document.
- Our Company confirms that it is in compliance with the minimum public shareholding requirements as specified in the SCRR.
- The Floor Price is ₹106.38 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company has also offered a discount of ₹5.28 (being equivalent to 4.96% of the Floor Price) per Equity Share in accordance with the approval of our Shareholders accorded through their special resolution passed on February 7, 2022 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
- Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.
- Except as disclosed in this Placement Document, there are no material litigation pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see “*Legal Proceedings*” on page 231.
- The Company and the BRLMs accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.
- Ravi Telkar is the Company Secretary and Compliance Officer of our Company. His details are as follows:

WeWork, Vaswani Chambers, 264/265
Dr. Annie Besant Road
Worli, Mumbai – 400 030
Maharashtra, India
Telephone: + 91 22 6189 1740

Fax: +91 22 3086 6002
E-mail: rtelkar@indiabulls.com

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INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Real Estate Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Indiabulls Real Estate Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the Consolidated state of affairs of the Group as at 31 March 2021, its Consolidated profit and Consolidated total comprehensive income, its Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Assessing the carrying value of inventory The accounting policies for Inventories are set out in Note 4.4 to the consolidated financial statements. Inventories of the Group comprise of real estate properties (including land) are disclosed under Note 15. Impairment assessment of inventory is considered as a significant risk as there is a risk that recoverability of the carrying value of the inventory could not be established, and potential impairment charge might be required to be recorded in the consolidated financial statements. Management's assessment of the recoverable amounts is a judgmental process which requires the estimation of the net realisable value, which takes into account the valuations of the properties held and cash flow projections of real estate properties under development. On account of the above assessment, an impairment loss of ₹ 805.00 lakhs have been recognized in the current year. Due to their materiality in the context of the Group's financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	Our procedures in relation to the valuation of inventory held by the group included, but not limited to the followings: • Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Net Realisable Value (NRV); • Enquired of the management and inspected the internal controls related to inventory valuation along with the process followed to recover/adjust these and assessed whether impairment is required; • All material properties under development as at 31 March 2021 were discussed on case to case basis with the management for their plan of recovery/adjustment; • For real estate properties under development, obtained and assessed the management evaluation of the NRV. We also assessed the management's valuation methodology applied in determining the recoverable amount and tested the underlying assumptions used by the management in arriving at those projections; • We challenged the management on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; • Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists; • For land parcels, obtained and verified the valuation of land parcels as per the government prescribed circle rates, wherever necessary; • Tested the arithmetical accuracy of the cash flow projections; and • We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Group's policies on revenue recognition is set out in Note 4.3 to the consolidated financial statements. As per the principles of Ind AS 115 "Revenue from Contracts with Customers", revenue from sale of residential/commercial properties is recognized when the performance obligations are essentially complete. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession of properties have been issued to the customers. The amount of revenue and cost thereon on contracts with customers forms a substantial part of the consolidated statement of profit and loss and management judgement is also involved in the interpretation of these conditions. The above transaction required audit focus due to the significant impact of the same on the accompanying consolidated financial statement of the Group. The matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	Our audit procedures related to the revenue recognition included, but not limited to the following: • Evaluated the appropriateness of the Group's revenue recognition policies with respect to the principles of Ind AS 115; • Enquiring from the management and inspecting the internal controls related to revenue recognition for ensuring the completeness of the customer sales, issue of possession letters and the recording of customer receipts; • We have performed the following procedures for revenue recognition: a. Verification of the possession letters issued on sample basis along with the proof of deliveries to ensure completeness; b. Verification of the collection from customers for the units sold from the statement of accounts on a sample basis to ensure receipt of the amount; and c. Performing cut-off procedures and other analytical procedures like project wise variance analysis and margin analysis to find any anomalies. • Ensured that the disclosure requirements of Ind AS 115 have been complied with.
Valuation of investments held by subsidiary entities in equity instruments The Group's policies on valuation of Investments is set out in Note 4.12 to the consolidated financial statements. At the balance sheet date 31 March 2021, the Group held ₹ 1,967.56 lakhs of investments in equity instruments of third parties which are carried at fair value through profit and loss ('FVTPL') in the consolidated financial statements. Any changes in estimates, assumptions and judgements involved may result in material changes in the valuation of investment and hence it required significant audit attention. Any change in the fair value of the abovementioned investments will result in a change in the profit or loss in consolidated financial statements.	Our procedures in relation to the valuation of investments held by the Group included, but not limited to the following: • Understood the nature of transaction i.e. understanding the approach used for valuation and assessing the proposed accounting treatment in relation to the accounting policies and relevant Ind AS; • We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing. • Enquired of the management and inspected the internal controls related to completeness of the list of investments along with the process followed to recover/adjust these;

Key audit matter	How our audit addressed the key audit matter
The management's valuation is dependent upon the market conditions carried out by management's valuer, which can be difficult to predict and be influenced by economic and other factors. Any errors or changes in the management/management's valuer judgement or assumptions can impact the assessment of the carrying values of the investment. Therefore, it has been considered as a key audit matter.	• We challenged the managements on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; • Evaluating the management's independent professional valuer's competence, capabilities and objectivity; • Assessing the valuation methodology used by the independent professional valuer to estimate the fair value of the investments; • Testing the mathematical accuracy of the cash flows projection; and • Ensured that the disclosure requirements of accounting standards have been complied with.
Assessing the carrying value of certain outside group advances The Group's policies on the impairment assessment of the advances is set out in Note 4.13 to the consolidated financial statements. During the year, one of the wholly owned subsidiary of the Group has advanced an interest-bearing sum of ₹ 22,500.00 lakhs outside the group of which ₹ 22,500.00 lakhs is outstanding as at 31 March 2021 as presented under Note 10B. Impairment assessment of these advances is considered as a significant risk as there is a risk that recoverability of these advances could not be established, and any potential impairment charge might be required. Management's assessment of the recoverability of these advances is a judgmental process which takes into account the fair valuation and an assessment of the financial statements of the entities to which these amounts have been advanced. Due to the materiality of these advances in the context of the Group's financial statements as a whole and significant degree of judgement and subjectivity involved in management's assessment of recoverability, this has been considered to be a key audit matter.	Our procedures in relation to assessment of impairment for said interest-bearing advances included, but not limited to: • Obtained an understanding of the management process for identification of possible impairment indicators and processes followed by the management for assessing the recoverability of these advances; • Enquired of the management and inspected the internal controls related to process followed to recover these and assess whether impairment is required; • Inspected underlying supporting documents and agreements entered between the parties for the advances made during the year; • Assessed breach in terms of these advances as per agreement, if any; • Obtained direct independent confirmations for the said advances outstanding as at 31 March 2021; • Discussed with the management with respect to their plan of recovery and review of recent communications related to the said outstanding advances as at 31 March 2021; • Checked of subsequent recoveries, if any; and • We checked the appropriateness and adequacy of the disclosures made by the management for these interest bearing advances in accordance with Ind AS.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies are also responsible for overseeing financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or

regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the annual financial statements of certain subsidiaries, whose financial statements reflects total assets ₹ 342,577.43 lakhs and net assets of ₹ 95,996.36 lakhs as at 31 March 2021, total revenues of ₹ 19,836.40 lakhs, total net profit after tax of ₹ 4,898.96 lakhs total comprehensive income of ₹ 2,466.25 lakhs and cash outflows (net) of ₹ 489.27 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These annual financial statements have been audited by other auditors, whose audit report have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries are based solely on the audit reports of such other auditors.

Further, these subsidiaries are located outside India, whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditor under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the Consolidated Financial Statements in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

The Consolidated Financial Statements of the Group for the year ended 31 March 2020, were audited by another auditor who expressed an unmodified opinion vide its report dated 14 May 2020.

Our opinion on the Consolidated Financial Statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Financial Statements dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the audit reports of its subsidiary companies covered under the Act, none of the directors of the Group companies covered

under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements as at 31 March 2021— Refer Note 44 to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended 31 March 2021.
- (h) As required by section 197(16) of the Act, based on our audit, we report that 2 subsidiary companies covered under the Act paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the Holding Company and other subsidiary companies covered under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of Holding Company and such other subsidiary companies.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964

UDIN: 21084964AAAAAO7908

Place: New Delhi
Date: 23 April 2021

Annexure A to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Indiabulls Real Estate Limited on the Consolidated Financial Statements for the year ended 31 March 2021 of even date.

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to Consolidated Financial Statements of Indiabulls Real Estate Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as of 31 March 2021 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies have, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964

UDIN: 21084964AAAAO7908

Place: New Delhi
Date: 23 April 2021

	Note	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
I ASSETS			
Non-current assets			
Property, plant and equipment	5	2,441.14	3,478.39
Investment property	6	6,041.98	6,140.88
Right of use assets	7	74.51	3,835.11
Intangible assets	8	39.28	71.24
Financial assets			
Investments	9A	14,404.60	13,029.84
Loans	10A	572.59	1,853.65
Other financial assets	11A	1,738.57	5,292.79
Deferred tax assets (net)	12	20,295.65	33,713.03
Non-current tax assets (net)	13	14,464.99	20,880.44
Other non-current assets	14A	6,860.03	6,918.24
		66,933.34	95,213.61
Current assets			
Inventories	15	618,612.98	705,635.33
Financial assets			
Investments	9B	105.18	157.25
Trade receivables	16	30,019.04	8,015.01
Cash and cash equivalents	17	8,116.09	4,817.43
Other bank balances	18	11,599.86	32,706.21
Loans	10B	23,461.05	91,974.41
Other financial assets	11B	93,443.55	156,728.77
Other current assets	14B	14,377.62	24,413.54
Assets held for sale	19	9,003.87	9,003.87
		808,739.24	1,033,451.82
		875,672.58	1,128,665.43
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	20A	9,030.77	9,093.28
Instruments entirely equity in nature	20C	42,500.00	42,500.00
Other equity	21	296,693.87	304,202.24
Equity attributable to the owners of the Holding Company		348,224.64	355,795.52
Non-controlling interests		1,146.34	1,104.74
Total equity		349,370.98	356,900.26
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22A	37,805.58	98,911.96
Lease liabilities	23A	-	2,376.02
Provisions	25A	1,176.00	1,572.19
Other non-current liabilities	26A	17,048.17	17,186.97
		56,029.75	120,047.14
Current liabilities			
Financial liabilities			
Borrowings	22B	69,600.00	-
Lease Liabilities	23B	69.56	1,414.06
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	24 (i)	7,215.20	3,716.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	24 (ii)	22,847.99	41,011.79
Other financial liabilities	27	59,973.17	252,193.19
Other current liabilities	26B	302,403.06	344,151.59
Provisions	25B	7,732.51	7,239.44
Current tax liabilities (net)	28	430.36	1,991.54
		470,271.85	651,718.03
		875,672.58	1,128,665.43
Summary of significant accounting policies			
The accompanying notes are integral part of the consolidated financial statements.			
This is the consolidated balance sheet referred to in our report of even date.			

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.: 005975N

For and on behalf of the Board of Directors

Prakash Agarwal
Partner
Membership No. 084964
Place: New Delhi
Date: 23 April 2021

Gurbans Singh
Joint Managing Director
[DIN: 06667127]
Place: New Delhi
Date: 23 April 2021

Mehul Johnson
Joint Managing Director
[DIN: 00016075]
Place: Mumbai
Date: 23 April 2021

Anil Mittal
Chief Financial Officer
Place: Gurugram
Date: 23 April 2021

Ravi Telkar
Company Secretary
Place: Mumbai
Date: 23 April 2021

Indiabulls Real Estate Limited
Consolidated statement of profit and loss for the year ended 31 March 2021

	Note	For the year ended 31 March 2021 (₹ in lakhs)	For the year ended 31 March 2020 (₹ in lakhs)
Revenue			
Revenue from operations	29	152,141.75	327,078.42
Other income	30	14,064.20	16,985.14
		166,205.95	344,063.56
Expenses			
Cost of revenue	31		
Cost incurred during the year		24,304.66	133,804.83
Decrease in real estate properties		87,022.35	50,988.31
Employee benefits expense	32	5,206.97	11,381.77
Finance costs	33	22,789.01	48,116.19
Depreciation and amortization expense	34	1,725.01	3,076.20
Impairment losses on financial assets	35A	-	8,395.48
Other expenses	35B	17,638.62	42,444.23
		158,686.62	298,207.01
Profit before exceptional items, tax and share of (loss)/profit from joint ventures		7,519.33	45,856.55
Share of (loss)/profit from joint ventures		-	(158.14)
Profit before exceptional items and tax		7,519.33	45,698.41
Exceptional items - interest on income tax		-	7,931.19
Profit before tax		7,519.33	37,767.22
Tax expense	36		
Current tax (including earlier years)		546.41	5,032.72
Deferred tax charge		6,501.07	20,623.98
Net profit for the year		471.85	12,110.52
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement gain/(loss) on defined benefit plans		109.51	44.65
Income tax effect		0.11	(4.82)
Equity instruments through other comprehensive income		2,896.22	(3,258.25)
Share of other comprehensive income of joint ventures accounted for using the equity method		-	(46,122.81)
Items that will be reclassified to profit and loss			
Exchange differences on translation of foreign operations		(2,700.32)	7,573.75
(Loss)/gain on net investment hedge		-	(2,577.99)
Other comprehensive income		305.52	(44,345.47)
Total comprehensive income for the year		777.37	(32,234.95)
Net profit is attributable to			
Owners of the Holding Company		430.25	12,069.23
Non-controlling interests		41.60	41.29
		471.85	12,110.52
Other comprehensive income is attributable to			
Owners of the Holding Company		305.52	(44,346.22)
Non-controlling interests		-	0.75
		305.52	(44,345.47)
Total comprehensive income is attributable to			
Owners of the Holding Company		735.77	(32,276.99)
Non controlling interests		41.60	42.04
		777.37	(32,234.95)
Earnings per equity share (face value ₹ 2 each)	37		
Basic (₹)		0.10	2.67
Diluted (₹)		0.10	2.67
Summary of significant accounting policies	4		
The accompanying notes are integral part of the consolidated financial statements.			

This is the consolidated statement of profit and loss referred to in our report of even date.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

For and on behalf of the Board of Directors

Prakash Agarwal

Partner

Membership No. 084964

Place: New Delhi

Date: 23 April 2021

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Place: New Delhi

Date: 23 April 2021

Mehul Johnson

Joint Managing Director

[DIN: 00016075]

Place: Mumbai

Date: 23 April 2021

Anil Mittal

Chief Financial Officer

Place: Gurugram

Date: 23 April 2021

Ravi Telkar

Company Secretary

Place: Mumbai

Date: 23 April 2021

Indiabulls Real Estate Limited
Consolidated cash flow statement for the year ended 31 March 2021

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
A Cash flow from operating activities:		
Profit before tax and share of (loss)/profit from joint ventures and after exceptional items	7,519.33	37,925.36
<i>Adjustments for:</i>		
Interest expenses	22,634.78	47,939.75
Interest expense on taxation (including exceptional items)	99.60	7,931.19
Depreciation and amortization expenses	1,725.01	3,076.20
Other borrowing costs	54.63	176.44
Impairment for non-current investments	1,526.28	-
Impairment of inventory	805.00	13,569.67
Provision for expected loss	-	2,480.93
Loss on sale of property, plants and equipment (net)	38.08	14.07
Interest income	(5,496.44)	(11,390.20)
Amortisation of derivative balance (difference between forward and spot element)	-	(154.67)
Excess provision/liabilities written back	(2,013.56)	(322.77)
Provision for employee benefits	(86.93)	(91.60)
Provision for claims and compensation	455.45	7,156.53
Share based payment expense	16.11	86.68
Share of loss/(profit) from joint ventures	-	158.14
Amounts written off	90.01	355.46
Loans and non-current investments written off	-	8,395.48
Impairment in other current assets	-	1,132.77
Income on fair valuation of financial assets	(1.06)	-
Interest income on amortized cost financial assets	(83.54)	(494.39)
Profit on sale of investments in mutual funds (net)	(173.97)	(733.77)
Profit on sale of stake in joint ventures with underlying real estate business	-	(78,054.65)
Profit on sale of stake in subsidiaries with underlying real estate business	-	(4,182.42)
Net gain on settlement through merger scheme and fair value impact of assets held for sale	-	(21,406.90)
Profit on sale of investments in entity carrying out real estate business	-	(5,000.00)
Modification gain on de-recognition of lease contracts	(398.24)	(13.73)
Operating profit before working capital changes and other adjustments:	26,710.54	8,553.57
<i>Working capital changes and other adjustments:</i>		
Inventories	92,057.64	95,940.17
Trade receivables	(22,004.03)	18,952.49
Current and non-current loans	1,281.06	(17,682.63)
Other current and non-current assets	10,652.10	3,803.00
Other current and non-current financial assets	60,491.43	(12,537.29)
Trade payables	(12,651.46)	(56,796.95)
Other current and non-current financial liabilities	(35,252.21)	20,685.37
Other current and non current liabilities	(41,393.04)	(92,623.33)
Cash used in operating activities	79,892.03	(31,705.60)
Income taxes refund / (paid) (net)	5,451.76	(11,483.29)
Net cash generated from / (used in) operating activities	85,343.79	(43,188.89)
B Cash flow from investing activities:		
Purchase of property, plant and equipment, investment property and intangible assets (including capital advances)	(8.63)	(925.31)
Proceeds from sale of property, plant and equipment and intangible assets	20.67	93.32
Movement in fixed deposits (net)	24,322.20	(11,118.00)
Proceed from sale of non-current investments	-	317,849.96
Purchase of non-current investments	-	(1,891.00)
Proceed from sale of current investments (net)	227.10	735.64
Inter-corporate loans received back / (given) (net)	62,162.74	(32,877.19)
Interest received	10,358.17	5,995.95
Net cash generated from investing activities	97,082.25	277,863.37
C Cash flow from financing activities: (refer Note 52)		
Proceeds from issue of equity share capital (including securities premium)	-	2,171.06
Acquisition of treasury shares	(1,393.22)	-
Proceeds from borrowings from banks	714.00	43,498.10
Repayment of borrowings to banks	(121,058.08)	(37,941.70)
Proceeds from issue of debentures	5,000.00	35,000.00
Redemption of debentures	(98,209.33)	(76,791.00)
Proceeds from issue of commercial paper	8,000.00	101,500.00
Repayment of commercial paper	(8,000.00)	(203,000.00)
Proceeds of borrowings from others	420,500.00	-
Repayment of borrowings from others	(355,900.00)	-
Interest and other borrowing costs paid	(28,067.60)	(51,401.22)
Payment of lease liabilities (inclusive of interest paid amounting to ₹ 135.01 lakhs (31 March 2020 ₹484.10 lakhs)	(713.15)	(2,072.95)
Net cash used in financing activities	(179,127.38)	(189,037.71)

	<u>31 March 2021</u> (₹ in lakhs)	<u>31 March 2020</u> (₹ in lakhs)
D Opening cash and cash equivalents of subsidiaries acquired/sold (net)	-	(101,110.75)
E Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	3,298.66	(55,473.98)
F Cash and cash equivalents at the beginning of the year	4,817.43	60,291.41
G Cash and cash equivalents at the end of the year (E+F)	<u>8,116.09</u>	<u>4,817.43</u>

Notes:a) **Cash and cash equivalents includes (refer note 17) :**

Cash on hand	-	14.95
Balances with banks - in current accounts	8,116.09	4,777.32
Bank deposits with original maturity upto three months	-	25.16
Total of cash and cash equivalents	<u>8,116.09</u>	<u>4,817.43</u>

The accompanying notes are integral part of the consolidated financial statements.

This is the consolidated cash flow statement referred to in our report of even date.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

For and on behalf of the Board of Directors

Prakash Agarwal

Partner

Membership No. 084964

Place: New Delhi

Date: 23 April 2021

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Place: New Delhi

Date: 23 April 2021

Mehul Johnson

Joint Managing Director

[DIN: 00016075]

Place: Mumbai

Date: 23 April 2021

Anil Mittal

Chief Financial Officer

Place: Gurugram

Date: 23 April 2021

Ravi Telkar

Company Secretary

Place: Mumbai

Date: 23 April 2021

A Equity share capital* (₹ in lakhs)

Particulars	Balance as at 1 April 2019	Add : Issue of equity share capital during the year	Balance as at 31 March 2020	Less: Acquisition of treasury shares during the year	Balance as at 31 March 2021
Equity share capital	9,013.61	79.67	9,093.28	(62.51)	9,030.77
	9,013.61	79.67	9,093.28	(62.51)	9,030.77

B Instruments entirely equity in nature** (₹ in lakhs)

Particulars	Balance as at 1 April 2019	Movement during the year	Balance as at 31 March 2020	Movement during the year	Balance as at 31 March 2021
Optionally convertible redeemable preference shares	104,828.00	(62,328.00)	42,500.00	-	42,500.00
	104,828.00	(62,328.00)	42,500.00	-	42,500.00

C Other equity*** (₹ in lakhs)

Description	Reserves and surplus						Other comprehensive income			Equity attributable to owners of Holding Company	Non-controlling interests	Total equity
	General reserve	Capital reserve	Debenture redemption reserve	Capital redemption reserve	Share options outstanding account	Securities premium	Retained earnings	Fair valuation of equity instruments	Net investment hedge reserve	Foreign currency translation reserve		
Balance as at 01 April 2019 (restated)^	53,312.65	27,720.50	32,375.04	2,200.92	2,113.86	534,903.32	(341,838.43)	(28,673.31)	1,305.86	285,998.40	1,062.70	287,061.10
Profit for the year	-	-	-	-	-	-	12,069.23	-	-	12,069.23	41.29	12,110.52
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	39.08	-	-	39.08	0.75	39.83
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	(3,258.25)	-	(3,258.25)	-	(3,258.25)
Share of other comprehensive income of joint ventures accounted for using the equity method	-	-	-	-	-	-	-	(46,122.81)	-	(46,122.81)	-	(46,122.81)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	7,573.75	7,573.75	-	7,573.75
Loss on settlement of net investment hedge	-	-	-	-	-	-	-	(2,577.99)	-	(2,577.99)	-	(2,577.99)
Amount transferred to retained earnings	-	-	-	-	-	-	(46,534.01)	46,534.01	-	-	-	-
Impact of purchase of optionally convertible redeemable preference shares of subsidiary	-	-	-	-	-	-	55,328.00	-	-	55,328.00	-	55,328.00
Share based payment expense	-	-	-	-	86.68	-	-	-	-	86.68	-	86.68
Issue of equity shares (including exercise of stock options)	-	-	-	-	(1,366.36)	3,457.75	-	-	-	2,091.39	-	2,091.39
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(19.33)	-	19.33	-	-	-	-	-
Impact of change in effective tax rate on deferred tax assets created consequent to adoption of Ind AS 115	-	-	-	-	-	-	(7,025.24)	-	-	(7,025.24)	-	(7,025.24)
Balance as at 31 March 2020	53,312.65	27,720.50	32,375.04	2,200.92	814.85	538,361.07	(327,942.04)	(31,520.36)	-	8,879.61	1,104.74	305,306.98
Profit for the year	-	-	-	-	-	-	430.25	-	-	430.25	41.60	471.85
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	109.62	-	-	109.62	-	109.62
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	2,896.22	-	2,896.22	-	2,896.22
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	(2,700.32)	(2,700.32)	-	(2,700.32)
Acquisition of treasury shares	-	-	-	-	-	(1,330.71)	-	-	-	(1,330.71)	-	(1,330.71)
Transfer from debenture redemption reserve to general reserve	2,500.04	-	(2,500.04)	-	-	-	-	-	-	-	-	-
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(64.94)	-	70.70	-	-	5.76	-	5.76
Impact of change in effective tax rate on deferred tax assets created consequent to adoption of Ind AS 115	-	-	-	-	-	-	(6,919.19)	-	-	(6,919.19)	-	(6,919.19)
Balance as at 31 March 2021	55,812.69	27,720.50	29,875.00	2,200.92	749.91	537,030.36	(334,250.66)	(28,624.14)	-	6,179.29	1,146.34	297,840.21

*Refer note 20.A for details

**Refer note 20.C for details

***Refer note 21 for details

The accompanying notes are integral part of the consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.: 005975N

For and on behalf of the Board of Directors

Prakash Agarwal
Partner
Membership No. 084964

Place: New Delhi
Date: 23 April 2021

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Place: New Delhi
Date: 23 April 2021

Mehul Johnson
Joint Managing Director
[DIN: 00016075]

Place: Mumbai
Date: 23 April 2021

Anil Mittal
Chief Financial Officer

Place: Gurugram
Date: 23 April 2021

Ravi Telkar
Company Secretary

Place: Mumbai
Date: 23 April 2021

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

1. Group information and nature of principal activities

Indiabulls Real Estate Limited ('the Holding Company') was incorporated on 04 April 2006 with the main objects of carrying on the business of real estate project advisory, project marketing, maintenance of completed projects, engineering, industrial and technical consultancy, construction and development of real estate properties and other related and ancillary activities. The Holding Company is domiciled in India.

During the year, the Holding Company has shifted its registered office from M-62&63, First Floor, Connaught Place, New Delhi 110 001, to Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram - 122016, Haryana.

Indiabulls Real Estate Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") in the following notes.

2. General information and statement of compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

These consolidated financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 23 April 2021. The revisions to the consolidated financial statements is permitted by the Board of Directors of the Holding Company after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

Recent accounting pronouncement

MCA vide notification dated 24 March 2021, makes certain amendments related to disclosure requirements in Schedule III of the Companies Act, 2013 which will be effective for financial year starting 01 April 2021.

3. Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

4.1 Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group has power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2021.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

unrealised gains/(losses) on transactions between group companies are eliminated. The accounting principles and policies have been consistently applied by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including each component of OCI) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and the such balance is attributed even if this results in the non-controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Joint ventures

Investments in joint arrangements are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement. The Group has classified its investment in joint arrangement as joint ventures.

Interest in joint venture are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting principles and policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

On loss of joint control, the difference between proceeds from disposal (including fair value of any retained interests) and the carrying amount of the investment in joint ventures is recognised in consolidated statement of profit and loss.

4.2 Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are generally recognized in the statement of profit and loss as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

Goodwill is initially measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred and where exists clear evidence of underlying reasons of classifying business combinations as bargain purchase, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4.3 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Group applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

Revenue from sale of properties

Revenue from sale of properties is recognized when the performance obligations are essentially complete. The performance obligations are considered to be complete when the property is ready to be transferred to the buyer (occupancy certificate received from the issuing authority) i.e. offer for possession can be issued to the buyers by issuing the possession request letter.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Group when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

Revenue from construction contracts

Revenue and related expenditures in respect of short-term works contracts that are entered into and completed during the year are accounted for on accrual basis as they are earned. Revenue and related expenditures in respect of long-term works contracts are accounted for on the basis of 'input method' as the performance obligations are satisfied over time. In case of cost plus contracts, revenue is recognised as per terms of specific contract, i.e. cost incurred plus an agreed profit margin. Further, the Group considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue from sale of land

Revenue from sale of land is recognised in the year in which the underlying sale deed is executed and there exists no uncertainty in the ultimate collection of consideration from buyer.

Base rent and amenities income

Base rent and amenities income are recognised on a straight-line basis over the terms of the lease, except for contingent rental income, which is recognised when it arises. Base rent comprises rental income earned from the operating leases and finance lease of the owned properties. Amenities income is rental revenue earned from the letting of space at the properties for amenities (including canteen space and business centre) is recognised in the period in which the services are being rendered.

Land lease income

Upfront lease premium received/receivable is recognized on operating lease basis i.e. on straight line basis over the lease term of the lease/sub-lease arrangement. Annual lease rentals are recognized on an accrual basis.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Operations and maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognised in the period in which the services are being rendered. A receivable is recognised by the Group when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, the Group considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying real estate business

Profit on sale of investments of entities in the real estate business is recognised in the year in such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business. However, in case of loss on sale of such investments, the same is recognised as part of other expense.

Gain on fair valuation of investment (remaining stake)

Gain on fair valuation of investment is recognised in the year in which the remaining investment is fair valued basis the consideration received for the proportionate stake sale. The said gain is recognised as part of other operating income as there is underlying business of real estate development.

Revenue from real estate properties advisory and management services

Income arising from real estate properties advisory is recognised in the period in which the services are being rendered. The Group considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue on account of settlement of existing project

Revenue from such settlement is recognised in the year in which the underlying executed documents are received and there exists no uncertainty in the ultimate collection of consideration.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

Gain on amortised cost financial assets

Gain on de-recognition of financial asset carried at amortised cost is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

4.4 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realisable value, on the basis of first-in first-out method.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

4.6 Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset class	Useful life
Building – temporary structures	1 – 3 years
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years
Ship	13 years

Leasehold improvements

Leasehold improvements have finite useful life and, therefore, are capitalised separately and amortised over the lease period or the estimated useful life of the leasehold improvements. Presently, the estimated useful life of the assets is less than the lease period and is as below:

Asset class	Useful life
Boundary wall	5 years
Water pipeline	12 years
Other infrastructure works	10 years
Electrical work	10 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4.7 Investment property

Recognition and initial measurement

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual valuation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Subsequent measurement (depreciation and useful lives)

Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset class	Useful life
Leasehold Land	Over lease period
Building and related fixtures	
Buildings	60 years
Fixtures	10 years
Plant and equipment	12 - 15 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

Investment property under development

Investment property under development represents expenditure incurred in respect of capital projects are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

Right of use asset classified as investment property

The Group has taken a land on long-term lease for which it has recognised right of use assets. The Group has then sub-leased the said right of use assets under an operating lease and hence, this has been classified as investment property and measure accordingly.

4.8 Intangible assets

Recognition and initial measurement

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a useful life of 3 to 4 years from the date of its acquisition.

De-recognition

Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

4.9 Assets held for sale

Non-current assets are classified as held for sale if their sale is considered highly probable. They are measured at fair value less cost to sell.

4.10 Lease

Where the Group is the lessee

Right of use assets and lease liabilities

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 41). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

4.11 Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

4.12 Financial instruments

Financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

- i. **Debt instruments at amortised cost** – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Equity investments** – All equity investments in scope of Ind AS 109 Financial Instruments ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

- iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income).

Financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, most of the liabilities are measured at amortised cost using the effective interest method.

Recognition and initial and subsequent measurement – fair value

A financial liability is classified as fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains/losses, including any interest expense are recognised in statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Net investment hedge

The Holding Company has entered into certain forward (derivative) contracts to hedge foreign currency risk. Derivative financial instruments are accounted at FVTPL except for derivatives designated as hedging instruments. To qualify for hedge accounting, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction.

Hedge of net investments in foreign operations are accounted for similar to cash flow hedges. The changes in fair value of forward element is recognised in other comprehensive income and accumulated in net investment hedge reserve in equity. The difference between forward and spot element at the date of designation of hedging instrument is amortised over the period of hedge. Gains and losses accumulated in equity are reclassified to profit or loss on partial or full settlement.

4.13 Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group factors historical trends and forward looking

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

4.14 Foreign currency

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Holding Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Translation of foreign operations

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. In respect of foreign operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the statement of profit and loss are translated at the average exchange rate (that approximates the actual exchange rates) during the year. The exchange difference arising out of the translation are recognized in other comprehensive income and are accumulated as foreign currency translation reserve, in the balance sheet until the disposal of the net investments at which time they are recognised as income or as expenses.

4.15 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of current tax and deferred tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ("MAT") credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences (including differences arising on account of consolidation) between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the forecast of future operating results of respective entity, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

4.16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.17 Employee benefits

Defined contribution plan

The Group's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate properties under development, as the case may be. The Group's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Defined benefit plan

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4.18 Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Holding Company.

4.19 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

4.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.21 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Classification of leases The Group enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Significant estimates

The following are significant estimates in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Revenue and inventories – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilization of asset.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
Note - 5
Property, plant and equipment
(₹ in lakhs)

	Leasehold improvements	Building - temporary structure	Plant and equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Ships	Total
Gross block									
As at 1 April 2019	3,425.23	211.20	4,682.83	202.00	459.06	1,545.61	1,713.90	78.55	12,318.38
Additions	-	2.07	12.05	14.87	25.08	8.81	5.47	-	68.34
Adjustments/disposals#	-	8.30	300.89	12.91	11.99	1,033.75	386.39	-	1,754.22
As at 31 March 2020	3,425.23	204.97	4,393.99	203.96	472.15	520.67	1,332.98	78.55	10,632.50
Additions	-	-	4.05	1.35	2.87	-	-	-	8.27
Adjustments/disposals	-	17.64	37.61	30.62	6.61	35.72	92.15	-	220.35
Balance as at 31 March 2021	3,425.23	187.33	4,360.42	174.69	468.42	484.95	1,240.83	78.55	10,420.43
Accumulated depreciation									
As at 1 April 2019	1,260.36	194.71	3,367.36	89.99	340.30	892.57	1,015.59	26.89	7,187.77
Charge for the year	504.42	6.66	321.63	46.36	65.43	189.99	146.88	6.04	1,287.40
Adjustments/disposals#	-	8.30	269.39	9.04	10.40	673.78	350.15	-	1,321.06
As at 31 March 2020	1,764.78	193.07	3,419.60	127.31	395.33	408.78	812.32	32.93	7,154.11
Charge for the year	504.42	6.70	229.87	34.71	48.09	49.59	114.27	6.04	993.70
Adjustments/disposals	-	17.64	20.50	30.17	7.32	31.26	61.64	-	168.53
Balance as at 31 March 2021	2,269.20	182.13	3,628.97	131.84	436.10	427.12	864.95	38.97	7,979.28
Net block as at 31 March 2020	1,660.45	11.90	974.39	76.65	76.82	111.89	520.66	45.62	3,478.39
Net block as at 31 March 2021	1,156.03	5.19	731.45	42.85	32.32	57.84	375.88	39.58	2,441.14

This also includes property, plant and equipment of subsidiaries where controlling stake was disposed off during the previous year.

Notes :

(i) During the year, depreciation of ₹ 105.75 lakhs (31 March 2020: ₹ 134.24 lakhs) has been inventorized as part of real estate properties under development.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note - 6
Investment property

	Leasehold land	Building and related fixtures	(₹ in lakhs) Total
Gross block			
At 1 April 2019	-	-	-
Additions	-	25.19	25.19
Addition on account of transition to Ind AS 116\$	6,189.60	-	6,189.60
Balance as at 31 March 2020	6,189.60	25.19	6,214.79
Additions	-	-	-
Disposal	-	(25.19)	(25.19)
Balance as at 31 March 2021	6,189.60	-	6,189.60
Accumulated depreciation			
At 1 April 2019	-	-	-
Charge for the year	73.91	-	73.91
Balance as at 31 March 2020	73.91	-	73.91
Charge for the year	73.71	-	73.71
Balance as at 31 March 2021	147.62	-	147.62
Net block as at 31 March 2020	6,115.69	25.19	6,140.88
Net block as at 31 March 2021	6,041.98	-	6,041.98

\$Pursuant to applicability of Ind AS 116 'Leases' from 1 April 2019, one of the subsidiary company has reclassified 'Prepayment for Land' balance amounting to ₹ 6,189.60 from 'Other non-current assets' to 'Investment property'. The underlying contract is for land taken on lease by the said subsidiary company, which has then sub-leased to another party under an operating lease.

This also includes investment property of subsidiaries where controlling stake was disposed off during the previous year.

(i) Investment property pledged as security

None of the above investment property has been pledged as security by the Group.

(ii) Amounts recognised in statement of profit and loss for investment property

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Rental income (including maintenance and car park income)	151.15	151.15
Less: Direct operating expenses generating rental income (including repair and maintenance)	-	-
Less: Direct operating expenses that do not generate rental income (including repair and maintenance)	-	-
Profit from leasing of investment properties before depreciation	151.15	151.15
Less: Depreciation	73.71	73.91
Profit from leasing of investment properties	77.44	77.24

(iii) Fair value

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Investment property	10,685.91	6,140.88

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note - 7 (Refer note 41)
Right of use assets (₹ in lakhs)

	Building	Total
Gross block		
As at 1 April 2019	5,566.81	5,566.81
Adjustments during the year	295.93	295.93
De-recognition on account of early termination of lease contract	289.54	289.54
Balance as at 31 March 2020	5,573.20	5,573.20
Adjustments during the year	-	-
De-recognition on account of early termination of lease contract	4,113.53	4,113.53
Balance as at 31 March 2021	1,459.67	1,459.67

Accumulated depreciation

As at 1 April 2019	-	-
Charge for the year	1,808.61	1,808.61
De-recognition on account of early termination of lease contract	70.52	70.52
Balance as at 31 March 2020	1,738.09	1,738.09
Charge for the year	731.10	731.10
De-recognition on account of early termination of lease contract	1,084.03	1,084.03
Balance as at 31 March 2021	1,385.16	1,385.16
Net block as at 31 March 2020	3,835.11	3,835.11
Net block as at 31 March 2021	74.51	74.51

Note - 8
Intangible assets (₹ in lakhs)

	Computer softwares	Total
Gross block amount		
As at 1 April 2019	647.36	647.36
Additions	14.17	14.17
Adjustment for disposals# (refer note 48)	12.27	12.27
As at 31 March 2020	649.26	649.26
Additions	0.36	0.36
Adjustment for disposals	0.17	0.17
Balance as at 31 March 2021	649.45	649.45

Accumulated amortisation

As at 1 April 2019	541.69	541.69
Charge for the year	40.51	40.51
Adjustment for disposals# (refer note 48)	4.18	4.18
As at 31 March 2020	578.02	578.02
Charge for the year	32.25	32.25
Adjustment for disposals	0.10	0.10
Balance as at 31 March 2021	610.17	610.17
Net block as at 31 March 2020	71.24	71.24
Net block as at 31 March 2021	39.28	39.28

#This also includes intangible assets of subsidiaries where controlling stake was disposed off during the previous year.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
Note - 9
A Investments - non-current
(i) Investment in equity shares - others
Quoted

RattanIndia Power Limited (face value of ₹ 10 each)#

31 March 2021		31 March 2020	
Number	Amount	Number	Amount
	(₹ in lakhs)		(₹ in lakhs)
241,351,470	6,154.46	241,351,470	3,258.24

Unquoted*

Avinash Bhosale Infrastructure Private Limited (face value of ₹ 100 each)

Good Morning India Media Private Limited (face value of ₹ 10 each)

Jagati Publications Limited (face value of ₹ 10 each)

2,090,000	1,967.56	2,090,000	1,976.80
2,500,000	-	2,500,000	217.32
1,972,221	-	1,972,221	977.12

(ii) Investment in preference shares - others
Unquoted*

Westend Propmart Private Limited (6% non-cumulative optionally convertible preference shares ₹ 10 each)

3,350,000	-	3,350,000	317.70

(iii) Investment in bonds - others^^
Unquoted

HDFC Bank Limited (Coupon rate 8.44%)

Housing Development Finance Corporation Limited (Coupon rate 8.45%)

Housing Development Finance Corporation Limited (Coupon rate 8.46%)

Housing Development Finance Corporation Limited (Coupon rate 8.35%)

Housing Development Finance Corporation Limited (Coupon rate 8.46%)

LIC Housing Finance Limited (Coupon rate 8.47% and face value of ₹ 1,000,000 each)

8	878.78	8	878.92
20	2,148.64	20	2,148.06
12	1,294.43	12	1,294.64
10	1,098.65	10	1,098.82
7	752.09	7	752.21
10	109.99	10	110.01
	14,404.60		13,029.84

Aggregate amount of unquoted investments (net)

8,250.14 9,771.60

Aggregate amount of quoted investments and market value

6,154.46 3,258.24

#This investment (being strategic in nature) is measured at fair value through other comprehensive income. The above values represents the fair values as at the end of the respective reporting year. No dividends have been received from such investments during the year.

*All the investments are designated as fair value through profit and loss, unless otherwise stated.

^^Face value of ₹ 10,000,000 each unless otherwise stated

B Investments - current
Investment in mutual funds (quoted)

Indiabulls Liquid Fund - Direct Plan - Growth

[5,242.628 (31 March 2020 7,762.659) units]

Indiabulls Savings Fund - Direct Plan - Growth

[Nil (31 March 2020 : 100) units]

105.18	150.58
-	6.67

105.18	157.25

Aggregate amount of quoted investments and market value

105.18 157.25

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	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 10		
A Loans - non current[#]		
(Unsecured, considered good)		
Security deposits	572.59	1,853.65
	572.59	1,853.65
B Loans - current[#]		
(Unsecured, considered good)		
Security deposits	452.93	1,010.91
Inter-corporate loans (inclusive of interest accrued ₹ 69.80 lakhs (previous year ₹ 5,862.44 lakhs))	23,008.12	90,963.50
	23,461.05	91,974.41
[#] The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.		
Note - 11		
A Other financial assets - non-current		
(Unsecured, considered good)		
Bank deposits with maturity of more than 12 months (inclusive of interest accrued ₹ 4.74 lakhs (previous year ₹ 54.51 lakhs)) (refer note 17)	1,735.12	5,292.79
Other advances*	3.45	-
	1,738.57	5,292.79
*Bombay stock exchange limited debt recovery security fund		
B Other financial assets - current		
(Unsecured, considered good)		
Earnest money deposit	1.00	1.00
Receivable against sale of investments (refer note 48)	92,896.51	155,868.31
Loans to employees	91.08	383.36
Other advances	454.96	476.10
	93,443.55	156,728.77
Note - 12		
Deferred tax assets (net)		
Deferred tax asset arising on account of :		
Property plant and equipment, investment property and intangible assets - depreciation and amortization	122.87	67.83
Right of use assets and lease liability	-	84.71
Employee benefits	484.53	553.79
Reversal of revenue and related costs as per Ind AS 115	19,500.26	25,395.35
Unrealised margin on inventories	-	6,919.19
Impairment for investments, financial and non-financial assets	187.99	692.16
	20,295.65	33,713.03

- (i) The Group has unabsorbed business losses and unabsorbed depreciation on which no deferred tax asset is created as there is no convincing evidence which demonstrates probability of realization of deferred tax asset in the near future.
Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilised. Further tax losses are available for offset for maximum period of eight years from the incurrence of loss.
- (ii) The Group did not recognise deferred tax liability of ₹ 45,044.66 lakhs (31 March 2020: ₹ 40,066.98 lakhs) with respect to unremitted retained earnings of Group subsidiaries wherever it controls the timing of the distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future.

(iii) Caption wise movement in deferred tax assets is as follows

(₹ in lakhs)

Particulars	01 April 2019	Recognised in other comprehensive income	Recognised in statement of profit and loss	Recognised in other equity	31 March 2020
Assets					
Property plant and equipment, investment property and intangible assets - depreciation and amortization	69.46	-	(1.63)	-	67.83
Right of use assets and lease liability	-	-	84.71	-	84.71
Employee benefits	1,081.47	(4.82)	(522.86)	-	553.79
Interest expense - adjustment arising on account of Income Computation and Disclosure Standards	582.92	-	(582.92)	-	-
Impairment for investments, financial and non-financial assets	1,919.20	-	(1,227.04)	-	692.16
Unabsorbed long-term capital losses	2,684.94	-	(2,684.94)	-	-
Unrealised margin on inventories	14,409.57	-	(7,490.38)	(7,025.24)	6,919.19
Reversal of revenue and related costs as per Ind AS 115	40,688.34	-	(8,267.75)	-	25,395.35
Liabilities					
Derivative assets - mark to market gain on derivative contract	(1,133.03)	-	1,133.03	-	-
Fair valuation gain on investments	(1,918.36)	-	1,918.36	-	-
Sub-total	58,384.51	(4.82)	(17,641.42)	(7,025.24)	33,713.03
Minimum alternative tax credit entitlement	2,982.56	-	(2,982.56)	-	-
Total	61,367.07	(4.82)	(20,623.98)	(7,025.24)	33,713.03

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Particulars	01 April 2020	Recognised in other comprehensive income	Recognised in statement of profit and loss	Recognised in other equity	31 March 2021
Assets					
Property plant and equipment, investment property and intangible assets - depreciation and amortization	67.83	-	55.04	-	122.87
Right of use assets and lease liability	84.71	-	(84.71)	-	-
Employee benefits	553.79	0.11	(69.37)	-	484.53
Impairment for investments, financial and non-financial assets	692.16	-	(504.17)	-	187.99
Unrealised margin on inventories	6,919.19	-	-	(6,919.19)	-
Reversal of revenue and related costs as per Ind AS 115	25,395.35	-	(5,895.09)	-	19,500.26
Total	33,713.03	0.11	(6,498.30)	(6,919.19)	20,295.65

Note - 13

Non-current tax assets (net)

Advance income tax, including tax deducted at source (net of provisions)

31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
14,464.99	20,880.44
14,464.99	20,880.44

Note - 14

A Other non-current assets

(Unsecured, considered good)

Capital advances to suppliers

0.08 0.22

Prepaid expenses

30.08 84.69

Security deposits#

6,500.00 6,500.00

Balances with statutory and government authorities

329.87 333.33

6,860.03	6,918.24

#to be adjusted with purchase of land.

B Other current assets

(Unsecured, considered good unless otherwise stated)

Mobilization advances

2,492.13 2,882.38

Advance to suppliers/service providers (doubtful balance of ₹ 509.27 lakhs (31 March 2020: ₹ 509.27 lakhs))

5,156.93 7,270.93

Prepaid expenses

234.91 199.77

Balances with statutory and government authorities (doubtful balance of ₹ 875.00 lakhs (31 March 2020: ₹ 875.00 lakhs))

6,057.15 6,356.03

Stamp paper in hand

- 4.50

Land advances (doubtful advance of ₹ 17.07 lakhs (31 March 2020: ₹ 17.07 lakhs))

1,577.07 7,517.07

Other advances

260.77 1,584.20

15,778.96	25,814.88

Less: Impairment for non-financial assets

(1,401.34)	(1,401.34)
14,377.62	24,413.54

Note - 15

Inventories

A Real estate properties under development (at cost)

Cost of properties under development

1,196,985.52 1,194,952.62

Less: Transferred to developed properties

(723,397.86)	(706,745.51)

473,587.66	488,207.11

Less: Impairment of inventories

(805.00)	-

472,782.66	488,207.11

B Real estate properties - developed (at cost)

Cost of developed properties

723,397.86 706,745.51

Less: Cost of revenue recognized till date

(581,620.22)	(489,045.21)

141,777.64	217,700.30

Less: Provision for expected loss

(3,430.47)	(5,911.40)

138,347.17	211,788.90

C Construction materials in stock (at cost)

7,483.15 5,639.32

618,612.98	705,635.33

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
Notes :

- (i) During the year ended 31 March 2021, the Group has inventorised borrowing cost of ₹ 5,824.49 lakhs (31 March 2020: ₹ 3,988.05 lakhs) to cost of real estate project under development. The Group entities has capitalised the interest expense related to specific borrowings obtained for real estate properties under development.
- (ii) The weighted average rate of interest capitalisation is in the range of 10.00% to 16.65% basis the underlying borrowings of respective entities.
- (iii) Inventories amounting to ₹ 408,983.28 lakhs (31 March 2020: ₹ 414,542.76) lakhs have been pledged/mortgaged as security for liabilities.

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 16		
Trade receivables		
(Unsecured considered good, unless otherwise stated)		
Trade receivables considered good - unsecured	30,019.04	8,015.01
Trade receivables - credit impaired	34.62	33.04
	30,053.66	8,048.05
	(34.62)	(33.04)
Less: Impairment for trade receivables (expected credit loss)	30,019.04	8,015.01

Note : Trade receivables amounting to ₹ 26,339.94 lakhs (31 March 2020: ₹ 4,184.15 lakhs) have been pledged/mortgaged as security for liabilities.

Note - 17
Cash and cash equivalents

Cash on hand	-	14.95
Balances with banks - in current accounts	8,116.09	4,777.32
Bank deposits with original maturity upto three months	-	25.16
	8,116.09	4,817.43

Notes with respect to bank deposits (including bank deposits under Note 11A and Note 18) :

- (i) Bank deposits of ₹ 6,762.98 lakhs (excluding interest accrued) (31 March 2020: ₹ 5,157.08 lakhs) have been pledged against bank guarantees and overdraft facility.
- (ii) Bank deposits of ₹ Nil (excluding interest accrued) (31 March 2020: ₹ 2,875.48 lakhs) have been lien marked as a security for servicing of term loan and debentures interest.
- (iii) Bank deposits of ₹ 168.00 lakh (excluding interest accrued) (31 March 2020: ₹ 168.00 lakhs) to maintain debt service reserve account.
- (iv) Bank deposits of ₹ 741.99 lakhs (excluding interest accrued) (31 March 2020: ₹ 201.62 lakhs) have been lien marked as a security for valued added tax registration, for fire no objection certificate and for other government authorities.
- (v) Bank deposits of ₹ 5,000.00 lakhs (excluding interest accrued) (31 March 2020: ₹ 25,000.00) have been lien marked to third party as a security to fulfill certain business obligations.

Note - 18
Other bank balances

Balances with banks - in unclaimed dividend accounts*	9.42	38.74
Bank deposits with maturity of more than three months and upto twelve months (inclusive of interest accrued ₹ 136.78 lakhs (previous year ₹ 399.52 lakhs)) (refer note 17)	11,590.44	32,667.47
	11,599.86	32,706.21

* Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Holding Company does not have any right on the said money.

Note - 19
Assets held for sale

Assets held for sale (refer note 48(iii) and 56)	9,003.87	9,003.87
	9,003.87	9,003.87

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

A Equity share capital

iv **Rights, preferences and restrictions attached to equity and preference shares**
The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Holding Company. In the event of liquidation of the Holding Company, all preferential amounts, if any, shall be discharged by the Holding Company. The remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Holding Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

Name of the equity shareholder

	31 March 2020
<u>Name of the equity shareholder</u>	<u>Number of shares</u>
Embassy Property Developments Private Limited	63,095,240
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	25,100,000
Morgan Stanley Asia (Singapore) PTE	23,356,826

No shares have been issued for other than cash during the period of five years immediately preceding 31 March 2021.

vii During the year ended 31 March 2021, the Holding Company, through its established trust “Indiabulls Real Estate Limited – Employees Welfare Trust” (the “Trust”) had in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 purchased its 3,125,164 Equity shares from the open market, for the implementation and administration of its employees benefit schemes. The face value of these shares have been deducted from the paid-up share capital of the Holding Company, and the excess of amount paid over face value for their acquisition have been adjusted in the other equity.

a.	During the year ended 31 March 2019, 26,000,000 equity shares were bought back at an average price of ₹ 170.85 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).
b.	During the year ended 31 March 2018, 5,796,000 equity shares were bought back at an average price of ₹ 89.76 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).
c.	During the year ended 31 March 2017, 28,250,000 equity shares were bought back at an average price of ₹ 78.01 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company, refer note 46.

i Authorised

	31 March 2021		31 March 2020	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Authorised				
Preference share capital of face value of ₹ 10 each#	364,000,000	36,400.00	364,000,000	36,400.00
		36,400.00		36,400.00

Since the Holding Company has not issued preference shares, hence, other disclosures are not presented.

i Authorised

	31 March 2021		31 March 2020	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Authorised				
0.000001% Optionally convertible redeemable preference shares of face value of ₹ 10 each	1,050,000,000	105,000.00	1,050,000,000	105,000.00
		105,000.00		105,000.00

ii Issued, subscribed and fully paid up

0.000001% Optionally convertible redeemable preference shares of face value of ₹ 10 each	425,000,000	<u>42,500.00</u>	425,000,000	<u>42,500.00</u>
		42,500.00		42,500.00

iii Reconciliation of number of optionally convertible redeemable preference shares outstanding at the beginning and at the end of the year

Balance at the beginning of the year	425,000,000	42,500.00	1,048,280,000	104,828.00
Less: Adjusted during the year*	-	-	(623,280,000)	(62,328.00)
Balance at the end of the year	425,000,000	42,500.00	425,000,000	42,500.00

* During the previous year, these shares were acquired by Holding Company and hence, eliminated in consolidated financial statements.

iv **Rights, preferences and restrictions attached to optionally convertible redeemable preference shares ("OCRPS")**

0.00001% Optionally convertible redeemable preference shares of face value of ₹ 10 each fully paid up, the payment of dividend shall be on non cumulative basis. Subject to the provisions of the Companies Act 2013, the OCRPS shall be optionally convertible, at sole discretion of the issuer company, at any time in one or more tranches within a period not exceeding 20 years from the date of allotment at the price which shall be the face value of the equity shares of the issuer company.

Subject to the provisions of the Companies Act 2013, the OCRPS shall be redeemable, at cash, on the expiry of 20 years from the date of allotment, at the lower of either (i) an appropriate discount to the fair value of the equity shares (on the date of such redemption) of the issuer company, assuming conversion, OR (ii) issue price of OCRPS (including securities premium, if any).

v **Details of shareholders holding more than 5% share capital**

Name of the preference shareholder	31 March 2021	31 March 2020
	Number of shares	Number of shares
Indiabulls Properties Private Limited	425,000,000	425,000,000

vi **Aggregate number of preference shares issued for consideration other than cash**

No preference shares have been issued for consideration other than cash during the period of five years immediately preceding 31 March 2021.

vii **Aggregate number of preference shares bought back**

No preference shares have been bought back during the period of five years immediately preceding 31 March 2021.

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 21		
Other equity		
Reserves and surplus		
General reserve	55,812.69	53,312.65
Capital reserve	27,720.50	27,720.50
Debenture redemption reserve	29,875.00	32,375.04
Capital redemption reserve	2,200.92	2,200.92
Share options outstanding account	749.91	814.85
Securities premium	537,030.36	538,361.07
Retained earnings	(334,250.66)	(327,942.04)
Other comprehensive income		
Fair valuation of equity instruments	(28,624.14)	(31,520.36)
Foreign currency translation reserve	6,179.29	8,879.61
	<u>296,693.87</u>	<u>304,202.24</u>

Nature and purpose of other reserves**General reserve**

The Holding Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Capital reserve

The Holding Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

Debenture redemption reserve

The Holding Company and its subsidiaries (wherever debenture balances are outstanding) are required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Capital redemption reserve

The same has been created in accordance with provisions of the Companies Act, 2013 for the buy back of equity shares from the market.

Share options outstanding account

The reserve is used to recognized the expense related to stock options issued to employees under Holding Company's employee stock option plans.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

Fair valuation of equity instruments

The Holding Company and certain subsidiaries of the Company has elected to recognise the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated within this reserve under the head equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

Treasury Shares

The Company had created "Indiabulls Real Estate Limited – Employees Welfare Trust" (the "Trust") for the implementation of schemes namely employees stock options plans, employees stock purchase plan and stock appreciation rights plan. The Company treats the trust as its extension and the Company's own shares held by the trust are treated as treasury shares. The premium over face value of the acquired treasury shares are presented as a deduction from the securities premium reserve. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.

Foreign currency translation reserve

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign currency translation reserve (FCTR).

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 22		
A Borrowings - non-current		
Secured loans		
Debentures		
Non-convertible debentures (redeemable) (refer note (i) below)	34,340.54	97,942.85
Less: current maturities of non-current borrowings (refer note 27)	(11,981.22)	(51,741.34)
	22,359.32	46,201.51
Bonds		
Non-convertible bonds (refer note (ii) below)	-	34,192.33
Less: current maturities of non-current borrowings (refer note 27)	-	(1,234.00)
	-	32,958.33
Term loans		
From banks (refer note (iii) below)	18,310.29	137,784.63
Less: current maturities of non-current borrowings (refer note 27)	(2,864.03)	(118,032.51)
	15,446.26	19,752.12
	37,805.58	98,911.96

(i) Repayment terms (including current maturities) and security details for term loan from non-convertible debentures:

Particulars	Security	Maturity date	31 March 2021 ₹ in lakhs	31 March 2020 ₹ in lakhs
1 190 Redeemable non-convertible debentures issued on 9 September 2016 for ₹ 1,900 lakhs @ 9.85% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	8 July 2022	1,892.07	1,886.50
2 250 Redeemable non-convertible debentures issued on 7 September 2016 for ₹ 2,500 lakhs @ 9.80% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	7 July 2022	2,488.60	2,480.60
3 300 Redeemable non-convertible debentures issued on 16 August 2016 for ₹ 3,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	16 June 2022	2,980.65	2,966.42
4 200 Redeemable non-convertible debentures issued on 18 July 2016 for ₹ 2,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	18 May 2022	1,986.68	1,975.82
5 250 Redeemable non-convertible debentures issued on 12 July 2016 for ₹ 2,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	12 May 2022	2,483.34	2,469.78
6 150 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,490.01	1,481.87
7 160 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,600 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,589.34	1,580.66
8 750 Redeemable non-convertible debentures issued on 29 June 2016 for ₹ 7,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	29 April 2022	7,448.63	7,406.01
9 4,800 Redeemable non-convertible debentures issued on 27 June 2018 for ₹ 48,000 lakhs @ 9.50% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel & Gurugram held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	27 June 2021 and 26 June 2020	11,981.22	47,773.47
10 100 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 1,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	-	993.06

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

11	200 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 2,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	-	1,979.07
12	5,000 Redeemable non-convertible debentures issued on 29 June 2017 for ₹ 50,000 lakhs @ 9.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Gurugram and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	29 June 2020 and 28 June 2019	-	24,949.59

** Non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.*

(ii) Repayment terms (including current maturities) and security details for non-convertible bonds :

Particulars	Maturity date	Security details	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Redeemable non-convertible bonds issued on 31 December 2019 for ₹ 35,000.00 lakhs of face value ₹ 1,000,000 each. This carries interest rate of 10.85%.	Repayable in 35 monthly installments of ₹ 135.00 lakhs starting on 31 January 2020 and bullet payment of ₹ 30,275.00 lakhs at the end of 36 months. During the year ended 31 March, 2021 the company has repaid the entire outstanding Non-convertible bonds.	Refer Note 1 below	-	34,192.33

* These non-convertible bonds were listed on the Wholesale Debt Market segment of BSE Limited.

Note 1

Details of security offered by such subsidiary:

(i) First ranking and exclusive mortgage on the -

a) Unsold units of the project;

b) Chargeable receivables and the insurance policies;

c) Chargeable account assets;

d) Inter-corporate deposits (current loans);

e) Floor space index (FSI), balance TDR/Fungible FSI to be consumed on the project, and other rights, title, benefit and interest arising out of or loaded over/ in respect of the project property, both present and future, pursuant to or in connection with the construction and development of the project;

f) Present and future fixed movable assets of the subsidiary company pertaining to the Project; and

g) All present and future current assets of the subsidiary company pertaining to the Project, including without limitation the subsidiary company's cash in hand, stocks, raw materials, book debts, inventories, claims, bills, outstanding monies receivables, all investments, other receivables of the subsidiary company;

(collectively called the "Company Mortgaged Properties");

(ii) First ranking and exclusive mortgage on the subsidiary company additional mortgage properties;

(iii) First ranking and exclusive charge by way of hypothecation on Indiabulls Distribution Services Limited ('IDSL') hypothecated properties (i.e all right, title, benefits, claims and demands, present and future, whatsoever of IDSL, in, to, under or in respect of, the IDSL subordinated debt and the IDSL transaction documents; and IDSL trade receivables); however these properties have been cancelled in the month of March 2020;

(iv) First ranking and exclusive charge by way of hypothecation on corporate guarantor (Holding Company) subordinated debt hypothecated properties; and

(v) First ranking and exclusive pledge over the equity shares and other securities of the subsidiary company constituting 100% of the total issued and paid up share capital of the subsidiary company along with voting rights (on a fully diluted basis), but excluding 6 equity shares held by nominees of the corporate guarantor ('pledged securities').

(iii) Repayment terms (including current maturities) and security details for term loan from banks:

- (a) During the year ended 31 March 2020, the Holding Company had availed term loan of ₹ 10,400.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of registered mortgage over 19 identified unsold properties in Tower - A of the project "BLU Estate and Club" (project in one of the subsidiary company) along with proportionate undivided share of land, common area, common amenities and car parks pertaining to said properties. The loan was repayable in 12 equal monthly installments post the principal moratorium period of 6 months although the entire loan has been repaid during the current year. The rate of interest was 11.50% p.a. (RBL Bank's MCLR plus spread). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 7,715.63 lakhs).
- (b) During the year ended 31 March 2019, the Holding Company had availed term loan of ₹ 100,000.00 lakhs from Yes Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at various locations and owned by certain subsidiary companies. The loan was repayable in three installments at 30%, 35% and 35% at the end of 21st month, 24th month and 27th month from the date of first disbursement although the entire loan has been repaid during the current year. The rate of interest was 10.90% p.a. (Yes Bank's MCLR plus spread). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 99,350.46 lakhs).
- (c) During the year ended 31 March 2018, the Holding Company had availed term loan of ₹ 10,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at Savroli and owned by certain subsidiary companies. The loan was repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement although the entire loan has been repaid during the current year. The rate of interest was 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 4,987.05 lakhs).
- (d) During the year ended 31 March 2018, the Holding Company had availed term loan of ₹ 5,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of equitable mortgage on immovable properties located at Gurugram and owned by certain subsidiary companies. The loan was repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement although the entire loan has been repaid during the current year. The rate of interest was 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 2,493.68 lakhs).
- (e) During the year ended 31 March 2015, the Holding Company had availed term loan of ₹ 28,000.00 lakhs from Axis Bank Limited and interest payable monthly, primarily secured by mortgage on immovable properties situated at Savroli held and owned by the certain subsidiary companies. The loan was further secured by collateral security on immovable properties of certain subsidiary companies. Additionally, the aforesaid term loan was also secured by way of pari-passu charge on all the project related receivables, if any, of its certain subsidiary companies. Further, there was corporate guarantee issued by its certain subsidiary Companies. The loan was repayable in 16 equal quarterly installments after moratorium period of two years from date of first disbursement although the entire loan has been repaid during the current year. The rate of interest was 9.55% p.a. (Axis Bank's six month MCLR plus spread). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 3,485.69 lakhs).
- (f) During the year ended March 31, 2019, one of the subsidiary company entered into borrowing arrangement to finance the construction and development of the real estate project by signing a Construction Term Loan arrangement with Indusind Bank Limited ("INDUSIND") of ₹ 20,000.00 lakh as per under mentioned table

Particulars #	(₹ in lakhs)		
	Year	Sanction	Drawdown
Indusind Bank	31-03-2020	20,000.00	20,000.00
	31-03-2021	20,000.00	20,000.00
			18,310.29

The rates are determined on the basis of Bank's MCLR rate and bank's margin.

The Loan are secured by Pari-passu charge by way of registered mortgage of all buildings & structures, title and rights of the borrower for residential project "Indiabulls Greens and Park" having saleable area of 87,31,226 sq.ft. First pari passu charge by way of hypothecation on the project sold & unsold receivables for the residential project "Indiabulls Green and Park" having saleable area of 87,31,226 sq.ft. and the borrower will maintain an escrow account with indusind bank till repayment of their facility. For the abovesaid loan corporate guarantee given by Indiabulls Real Estate Limited and Diana Infrastructure limited (land owner). Term Loan of ₹ 20,000.00 Lakh shall be repayable in 8 structured quarterly instalments starting from the end of 33 months from the date of disbursement of loan.

B Borrowings - current**Secured Loans**

Debentures*

Non-convertible debentures (redeemable) (refer note (i) below)

Borrowings from financial institutions **

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Debentures*		
Non-convertible debentures (redeemable) (refer note (i) below)	5,000.00	-
Borrowings from financial institutions **	64,600.00	-
	69,600.00	-

i Repayment terms and security details for non-convertible debentures:

Particulars	Security	Maturity date	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
500 Redeemable non-convertible debentures issued on 12 Nov 2020 for ₹ 5,000.00 lakhs @ 10.50% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel held and owned by a subsidiary company.	12 Nov 2021	5,000.00	-

*Non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.

**During the financial year ended 31 March 2021, certain subsidiaries of the company have availed ₹ 64,600.00 lakhs loan from Non Banking Financial Companies (NBFC), which are secured by exclusive charge on respective project under development and unsold developed properties/units and all revenue receivables of such subsidiaries. These loans carry interest rates varying between 10% to 12%. These loans are repayable on demand.

Note - 23

A Lease liabilities - non-current

Lease liabilities (Refer note 41)

-	2,376.02
-	2,376.02

B Lease liabilities - current

Lease liabilities (Refer note 41)

69.56	1,414.06
69.56	1,414.06

Note - 24

Trade payables - current

(i) Total outstanding dues of micro enterprises and small enterprises*

7,215.20	3,716.42
7,215.20	3,716.42

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2021 and 31 March 2020 :

Particulars	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
i) the principal amount remaining unpaid to any supplier as at the end of each accounting year;	7,215.20	3,716.42
ii) Interest due thereon	-	-
iii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Note - 24 (cont'd)

Trade payables - current

(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises

Due to others

Retention money

31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
11,059.64	24,705.26
11,788.35	16,306.53
22,847.99	41,011.79

Note - 25

A Provisions - non-current

Provision for employee benefits:

Gratuity (refer note 45)

Compensated absences (refer note 45)

907.74	1,162.18
268.26	410.01
1,176.00	1,572.19

B Provisions - current

Provision for claims and compensation

Provision for employee benefits:

Gratuity (refer note 45)

Compensated absences (refer note 45)

7,611.97	7,156.53
70.17	62.19
50.37	20.72
7,732.51	7,239.44

Note - 26

A Other non-current liabilities

Deferred revenue

Advance received for land

10,548.17	10,685.41
6,500.00	6,501.56
17,048.17	17,186.97

B Other current liabilities

Payable to statutory and government authorities

Advance from customers

Deferred revenue

Liability against development rights

Other advances received#

Other liabilities

597.15	3,151.43
283,721.63	324,105.59
188.82	188.82
5,600.00	5,600.00
9,000.00	9,000.00
3,295.46	2,105.75
302,403.06	344,151.59

In the current and previous year, the balance of ₹ 9,000 lakhs represents advance received against the assets held for sale.

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 27		
Other financial liabilities - current		
Current maturities of long-term borrowings		
Non-convertible debentures	11,981.22	51,741.34
Bonds	-	1,234.00
Term loans	2,864.03	118,032.51
Interest accrued on borrowings	1,756.15	2,561.49
Unpaid dividend on equity shares*	9.43	38.75
Security deposits from customers	78.37	84.39
Book overdraft^	36,672.87	63,253.26
Payable for investment**	-	5,109.00
Advance refundable to customers\$	730.08	1,062.24
Expenses payable	5,881.02	9,076.21
	59,973.17	252,193.19

*Not due for credit to 'Investor Education and Protection Fund'

^ Subsequent to the year-end, this has been adjusted with loan money received on 07 April 2021 (Previous year 03 April 2020 and 08 April 2020). This loan was pre-approved before the year-end.

**During the previous year, this amount was payable against purchase of an investment

\$On account of cancellation of properties.

Note - 28

Current tax liabilities (net)

Provision for income tax, net of advance tax and tax deducted at source

430.36	1,991.54
430.36	1,991.54

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 29		
Revenue from operations		
Revenue from real estate properties (refer note 55)	150,683.34	78,623.45
Revenue on account of settlement of existing project (refer note 58)	-	13,707.00
Revenue from real estate properties advisory and management services	-	1,170.83
Revenue from sale of land	299.50	-
Rental and land lease	151.15	151.15
Revenue from construction contracts	44.16	20,043.77
Other operating income		
Revenue from sale of commercial undertaking (refer note 48(iv))	-	103,500.00
Profit on sale of stake in joint ventures with underlying real estate business (refer note 48(ii))	-	78,054.65
Profit on sale of stake in subsidiaries with underlying real estate business (refer note 48 and 49)	-	4,182.42
Net gain on settlement through merger scheme and fair value impact of assets held for sale (refer note 56)	-	21,406.90
Profit on sale of investments in entity carrying out real estate business	-	5,000.00
Income from advisory services	-	4.72
Interest income on delayed payments from customers	24.27	219.93
Service receipts and forfeiture income	939.33	1,013.60
	152,141.75	327,078.42
Note - 30		
Other income		
Interest income on loans, bank deposits and others	5,496.44	11,390.20
Interest income on other amortised cost financial assets	84.60	494.39
Profit on sale of investments in mutual funds (net)	173.97	733.77
Foreign exchange gain (net)	5,458.28	3,498.48
Amortisation of derivative balance (difference between forward and spot element)	-	154.67
Excess provision/liabilities written back	2,013.56	322.77
Modification gain on de-recognition of lease contracts	398.24	13.73
Miscellaneous income	439.11	377.13
	14,064.20	16,985.14
Note - 31		
Cost of revenue		
Cost of land, developed properties and others	24,304.66	133,804.83
Decrease in inventory of land and real estate properties#		
Opening stock	705,635.33	984,886.43
Impact on inventory on account of sale of subsidiaries	-	(228,262.79)
Closing stock	(618,612.98)	(705,635.33)
	87,022.35	50,988.31
	111,327.01	184,793.14
#this includes impairment of inventories amounting to ₹ 805.00 lakhs (31 March 2020 ₹ 13,569.67 lakhs)		
Note - 32		
Employee benefits expense		
Salaries and wages	5,119.62	11,100.31
Contribution to provident fund and other funds	66.76	124.20
Staff welfare expenses	4.48	70.58
Share based payment expense (refer note 46)	16.11	86.68
	5,206.97	11,381.77
Note - 33		
Finance costs		
Interest expenses	22,499.68	47,455.65
Interest on lease liabilities	135.01	484.10
Interest on income taxes	99.60	-
Other borrowing costs	54.72	176.44
	22,789.01	48,116.19
Note - 34		
Depreciation and amortization expense		
Depreciation on property, plant and equipment	887.95	1,153.17
Depreciation on investment property	73.71	73.91
Depreciation on right of use assets	731.10	1,808.61
Amortization of intangible assets	32.25	40.51
	1,725.01	3,076.20

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 35		
A. Impairment losses on financial assets		
Loans written off	-	8,395.48
	-	8,395.48
B. Other expenses		
Rent expenses	36.30	146.10
Rates and taxes	1,580.86	932.88
Legal and professional expenses	2,357.84	4,722.24
Amounts written off	90.01	355.46
Advertisement expenses	40.59	725.26
Electricity and water charges	37.35	102.95
Communication expenses	29.18	125.50
Director sitting fees	47.31	39.51
Insurance expenses	25.17	92.49
Printing and stationery	35.28	94.98
Traveling and conveyance expenses	78.59	1,362.00
Repairs and maintenance expenses		
Vehicles	19.94	98.97
Buildings	78.55	379.33
Others	221.59	680.65
Security expenses	20.08	61.55
Membership and subscription fees	10.32	18.50
Loss on sale/write off of property, plant and equipment (net)	38.08	14.07
Corporate social responsibility expenses (Refer Note (i) below)	806.86	1,033.00
Brokerage and marketing expenses	3,337.70	1,699.24
Claims and compensations	6,775.18	18,992.08
Software expenses	15.16	18.13
Donations	-	7,500.31
Non current investments written off	1,526.28	-
Foreign exchange loss (net)	3.04	117.32
Impairment in other current assets#	-	1,132.77
Indemnity charges^	320.00	1,654.12
Miscellaneous expenses	107.36	344.82
	17,638.62	42,444.23

(i) Corporate social responsibility expenses

Gross amount required to be spent by the group during the year is ₹ 806.86 lakhs (31 March 2020: ₹ 1,033.00 lakhs). This amount is paid to trust.

(₹ in lakhs)

Particulars	Period	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	31 March 2021	-	-	-
	31 March 2020	-	-	-
(ii) On purposes other than (i) above	31 March 2021	806.86	-	806.86
	31 March 2020	1,033.00	-	1,033.00

In previous year includes amount ₹ 875.00 lakhs which pertain to provision recognised for non-recoverable/adjustable goods and services tax input credit.

^ In the earlier years, the Holding Company had sold one of the subsidiary and the underlying agreement prescribed to indemnify the buyer for any liability arising out of all the litigation outstanding at the time of the sale. With this background, during the previous year, the Holding Company has made certain outflows which were disclosed as indemnity charges.

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 36		
Tax expenses		
Current tax (including earlier years)	546.41	5,032.72
Deferred tax charge	6,501.07	20,623.98
Income tax expense reported in the statement of profit and loss	7,047.48	25,656.70

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. Accordingly, the Holding Company and certain subsidiaries have re-measured its deferred tax assets/liabilities as at 31 March 2020 basis the rate prescribed in the aforesaid section.

The major components of expected tax expense based on the domestic effective tax rate of the Group at 25.168% (most of the subsidiaries in the Group has this tax rate) and the reported tax expense in statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations (inclusive of loss/profit from joint ventures)

Accounting profit before income tax

At statutory income tax rate of 25.168% (31 March 2020: 25.168%)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of exempted income	-	(5,817.27)
Tax impact of indexation benefit under Income Tax Act, 1961	(246.74)	(32,747.73)
Deferred tax impact on 'Reversal of revenue and related costs as per Ind AS 115'	(5,895.09)	(6,399.02)
Tax impact of expenses which will never be allowed	25.07	2,010.25
Tax impact of unrecognised deferred tax on unabsorbed business and capital losses	10,322.13	49,947.06
Tax impact of earlier year items	-	4,365.01
Others	949.64	2,757.22
Income tax expense	7,047.48	25,656.70

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 37		
Earnings per share (EPS)		
The Group's Earnings per Share (EPS) is determined based on the net profit attributable to the shareholders' of the Holding Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. Weighted average number of equity shares includes the impact of buy back of equity shares during the year.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Profit attributable to equity shareholders of the Holding Company (₹ in lakhs)	430.25	12,069.23
Nominal value of equity share (₹)	2.00	2.00
Total number of equity shares outstanding at the beginning of the year	454,663,876	450,680,289
Total number of equity shares outstanding at the end of the year	451,538,712	454,663,876
Weighted average number of equity shares for basic earning per share	452,024,375	453,834,397
Add: Share based options*	-	-
Weighted average number of equity shares adjusted for diluted earning per share	452,024,375	453,834,397
Earnings per equity share:		
Basic	0.10	2.67
Diluted	0.10	2.67

*Potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.

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Note - 38

Fair value measurement

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value – recurring fair value measurements

(₹ in lakhs)

31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Unquoted equity instruments	-	-	1,967.56	1,967.56
Mutual funds	105.18	-	-	105.18
Financial instruments at FVOCI				
Quoted equity instruments	6,154.46	-	-	6,154.46
Total financial assets	6,259.64	-	1,967.56	8,227.20

31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Unquoted equity instruments	-	-	3,171.24	3,171.24
Optionally convertible preference shares	-	-	317.70	317.70
Mutual funds	157.25	-	-	157.25
Financial instruments at FVOCI				
Quoted equity instruments	3,258.24	-	-	3,258.24
Total financial assets	3,415.49	-	3,488.94	6,904.43

(iii) Valuation process and technique used to determine fair value

Financial assets

a) Traded (market) price basis recognised stock exchange for quoted equity instruments.

b) Use of net asset value for mutual funds on the basis of the statement received from investee party.

c) For unquoted equity instruments and optionally convertible preference shares, the Group has used adjusted net asset value method which factors fair value of assets and liabilities of investee entity with an adjustment of factors such as lack of liquidity, time elapsed from date of investment etc.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value (₹ in lakhs)		Significant unobservable inputs	Data inputs		Sensitivity analysis
	31 March 2021	31 March 2020		31 March 2021	31 March 2020	
Unquoted equity instrument - adjusted net asset value method	1,967.56	3,171.24	Liquidity factor	40%	40%	Change of +/-1% in liquidity factor has following impacts - 31 March 2021 +1% loss of ₹ (19.68) lakhs -1% gain of ₹ 19.68 lakhs 31 March 2020 +1% loss of ₹ (31.71) lakhs -1% gain of ₹ 31.71 lakhs
Optionally convertible preference shares	-	317.70	Liquidity factor	-	40%	Change of +/-1% in liquidity factor has following impacts - 31 March 2021 N.A. 31 March 2020 +1% loss of ₹ (3.18) lakhs -1% gain of ₹ 3.18 lakhs

(iv) The following table presents the changes in level 3 items for the year ended 31 March 2021 and 31 March 2020:

(₹ in lakhs)

Particulars	Unquoted equity instrument	Optionally convertible preference shares
As at 1 April 2019	3,182.27	345.96
Loss recognised on account of fair valuation of investments in statement of profit and loss	(11.03)	(28.26)
Profit on sale of investments	5,000.00	-
Amount received on disposal of investments	(5,000.00)	-
As at 31 March 2020	3,171.24	317.70
Loss recognised on account of impairment of investments in statement of profit and loss	(1,203.68)	(317.70)
As at 31 March 2021	1,967.56	-

Note - 39

Financial risk management

i) Financial instruments by category

	31 March 2021			31 March 2020		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial assets						
Investments						
Equity instruments#	1,967.56	6,154.46	-	3,171.24	3,258.24	-
Optionally convertible preference shares*	-	-	-	317.70	-	-
Mutual funds*	105.18	-	-	157.25	-	-
Bonds	-	-	6,282.58	-	-	6,282.66
Trade receivables	-	-	30,019.04	-	-	8,015.01
Loans	-	-	23,008.12	-	-	90,963.50
Cash and cash equivalents	-	-	8,116.09	-	-	4,817.43
Other bank balances	-	-	11,599.86	-	-	32,706.21
Security deposits	-	-	1,025.52	-	-	2,864.56
Other financial assets	-	-	95,182.12	-	-	162,021.56
Total financial assets	2,072.74	6,154.46	175,233.33	3,646.19	3,258.24	307,670.93

	31 March 2021			31 March 2020		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial liabilities						
Borrowings (including interest accrued)	-	-	124,006.98	-	-	272,481.30
Lease liabilities	-	-	69.56	-	-	3,790.08
Trade payables	-	-	30,063.19	-	-	44,728.21
Security deposits	-	-	78.37	-	-	84.39
Other financial liabilities	-	-	43,293.40	-	-	78,539.46
Total financial liabilities	-	-	197,511.50	-	-	399,623.44

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

ii) Fair value of instruments measured at amortised cost

Particulars	Level	31 March 2021		31 March 2020	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investment in bonds	Level 3	6,282.58	6,282.58	6,282.66	6,282.66
Security deposits	Level 3	572.59	572.59	1,853.65	1,853.65
Other financial assets	Level 3	1,738.57	1,738.57	5,292.79	5,292.79
Total financial assets		8,593.74	8,593.74	13,429.10	13,429.10
Financial liabilities					
Borrowings*	Level 3	37,805.58	37,805.58	98,911.96	98,911.96
Total financial liabilities		37,805.58	37,805.58	98,911.96	98,911.96

The above disclosures are presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, trade payables, other current financial liabilities and redeemable preference shares) represents the best estimate of fair value.

* This includes non-convertible redeemable debentures issued by the Holding Company which are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures and bonds represents the best estimate of fair value.

iii) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The board of directors has overall responsibility for the establishment and oversight of the risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortized cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/Life time expected credit loss
B: High credit risk	Trade receivables	Life time expected credit loss or fully provided for

In respect of trade receivables, the Group recognises a provision for lifetime expected credit loss.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with highly rated banks and financial institution. Loans and other financial assets measured at amortized cost includes long-term bank deposits, security deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. Credit risk is considered low because the Company is in possession of the underlying asset. Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Assets under credit risk –		(₹ in lakhs)	
Credit rating	Particulars	31 March 2021	31 March 2020
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	175,267.95	300,524.49
B: High credit risk	Trade receivables	34.62	33.04

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

ii) *Concentration of financial assets*

The Group's principal business activities are development of real estate properties and rental income. Loans and other financial assets majorly represents money advanced for business purposes. The Group's exposure to credit risk for trade receivables is presented below.

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Real estate project receivables	30,019.04	8,015.01

b) **Credit risk exposure**

Provision for expected credit losses

The Group provides for 12 month expected credit losses or lifetime expected credit losses for following financial assets –

(₹ in lakhs)			
As at 31 March 2021			
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments (bonds)	6,282.58	-	6,282.58
Trade receivables	30,053.66	34.62	30,019.04
Cash and cash equivalents	8,116.09	-	8,116.09
Other bank balances	11,599.86	-	11,599.86
Loans	23,008.12	-	23,008.12
Security deposit	1,025.52	-	1,025.52
Other financial assets	95,182.12	-	95,182.12

(₹ in lakhs)			
As at 31 March 2020			
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments (bonds)	6,282.66	-	6,282.66
Trade receivables	8,048.05	33.04	8,015.01
Cash and cash equivalents	4,817.43	-	4,817.43
Other bank balances	32,706.21	-	32,706.21
Loans	90,963.50	-	90,963.50
Security deposit	2,864.56	-	2,864.56
Other financial assets	162,021.56	-	162,021.56

Expected credit loss for trade receivables under simplified approach

Real estate business receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the Group's receivables from real estate business does not have any expected credit loss as transfer of legal title of properties sold is generally passed on to the customer, once the Group receives the entire consideration and hence, these are been considered as low credit risk assets. Further, during the periods presented, the Group has made no write-offs of receivables.

Rental business receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the receivables from rental business has low credit risk as the Group holds security deposits against the premises given on rentals. Further, historical trends indicate some shortfall between such deposits held by the Group and amounts due from customers. Hence, with the historical loss experience and forward looking information, the Group has provided expected credit loss in relation to receivables from rental business. Further, during the periods presented, the Group has made no write-offs of receivables.

(₹ in lakhs)	
Reconciliation of loss allowance	Trade receivables
Loss allowance as on 1 April 2019	33.04
Allowance for expected credit loss	-
Loss allowance on 31 March 2020	33.04
Allowance for expected credit loss	1.58
Loss allowance on 31 March 2021	34.62

(B) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lakhs)					
31 March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings (including interest accrued)	86,201.40	37,805.58	-	-	124,006.98
Lease liabilities	69.56	-	-	-	69.56
Trade payable	30,063.19	-	-	-	30,063.19
Security deposits	78.37	-	-	-	78.37
Other financial liabilities	43,293.40	-	-	-	43,293.40
Total	159,705.92	37,805.58	-	-	197,511.51

(₹ in lakhs)					
31 March 2020	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings (including interest accrued)	173,569.34	30,120.00	68,791.96	-	272,481.30
Lease liabilities	1,918.62	2,109.40	440.91	-	4,468.93
Trade payable	44,728.21	-	-	-	44,728.21
Security deposits	84.39	-	-	-	84.39
Other financial liabilities	78,539.46	-	-	-	78,539.46
Total	298,840.02	32,229.40	69,232.87	-	400,302.29

(C) Market risk

(i) Interest rate risk

The Group fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Variable rate borrowing	23,310.29	97,942.85
Fixed rate borrowing	98,940.54	171,976.96
Total borrowings	122,250.83	269,919.81

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Interest rates – increase by 1% (31 March 2020 : 1%)	233.10	979.43
Interest rates – decrease by 1% (31 March 2020 : 1%)	(233.10)	(979.43)

(ii) Foreign exchange risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group does not hedge its foreign exchange receivables/payables.

Foreign currency risk exposure:

(₹ in lakhs)			
Particulars	Currency	31 March 2021	31 March 2020
Trade payables	EURO	-	10.74

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in lakhs)					
Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade payables	EURO	-	0.11	-	(0.11)

(iii) Price risk

The Group exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group profit for the periods -

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Price sensitivity		
Mutual fund		
Price increase by (2%) - FVTPL instrument	2.10	3.15
Price decrease by (2%) - FVTPL instrument	(2.10)	(3.15)
Unquoted equity instruments		
Price increase by (2%) - FVTPL instrument	39.35	63.42
Price decrease by (2%) - FVTPL instrument	(39.35)	(63.42)
Optionally convertible preference shares		
Price increase by (2%) - FVTPL instrument	-	6.35
Price decrease by (2%) - FVTPL instrument	-	(6.35)
Quoted equity instruments		
Price increase by (10%) - FVOCI instrument	615.45	325.82
Price increase by (10%) - FVOCI instrument	(615.45)	(325.82)

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Note - 40

Revenue related disclosures

A Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in lakhs)		
Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Revenue from contracts with customers		
(i) Revenue from operations		
(a) Revenue from real estate properties	150,683.34	78,623.45
(b) Revenue on account of settlement of existing project	-	13,707.00
(c) Revenue from real estate properties advisory and management services	-	1,170.83
(d) Revenue from sale of land	299.50	-
(f) Revenue from construction contracts (refer note F below)	44.16	20,043.77
(ii) Other operating income (advisory services, Interest income on delayed payments from customers, service receipts and forfeiture income)	963.60	1,238.25
Total revenue covered under Ind AS 115	151,990.60	114,783.30

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

(₹ in lakhs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Contract liabilities		
Advance from customers	283,721.63	324,105.59
Total contract liabilities	283,721.63	324,105.59
Receivables		
Trade receivables	30,019.04	8,015.01
Total receivables	30,019.04	8,015.01

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

C Significant changes in the contract liabilities balances during the year are as follows:

(₹ in lakhs)		
Particulars	As at 31 March 2021	As at 31 March 2020
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	324,105.59	422,062.24
Additions/(refunds) during the year - net	80,624.00	(7,304.44)
Adjustment on account of revenue recognised during the year	(121,007.96)	(90,652.21)
Closing balance	283,721.63	324,105.59

D The aggregate amount of transaction price allocated to the unsatisfied performance obligations as at 31 March 2021 is ₹ 283,721.63 lakhs (31 March 2020 was ₹ 324,105.59 lakhs). This balance represents the advance received from customers (gross) against real estate properties under development. The management expects to further bill and collect the remaining balance of total consideration in the coming years. These balances will be recognised as revenue in future years as per the policy of the Company.

E Reconciliation of revenue from sale of real estate properties and on account of settlement of existing project :

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Contract revenue	153,447.20	96,176.14
Adjustment for: - Subvention cost*	(2,763.86)	(3,845.69)
Revenue from sale of real estate properties and on account of settlement of existing project	150,683.34	92,330.45

* Subvention cost represent the expected cash outflow under the arrangement determined basis time elapsed.

F One of the subsidiary company of the group earns revenue from construction contracts. Revenue and related expenditures in respect of short-term works contracts that are entered into and completed during the year are accounted for on accrual basis as they are earned. Revenue and related expenditures in respect of long-term works contracts are accounted for on the basis of 'input method' as the performance obligations are satisfied over time. For the purpose of revenue recognition, as part of the input method, the percentage of completion is arrived basis the cost incurred as compared the total budgeted cost for the contract. In case of cost plus contracts, revenue is recognised as per terms of specific contract, i.e. cost incurred plus an agreed profit margin.

Note – 41

Lease related disclosures

(i) The group as lessee

I Disclosures related to lease for office premises

The Group has leases for office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group has presented its right-of-use assets in in the balance sheet separately from other assets.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

During the financial year 2020-21, 3 out of 5 leases for office premises were terminated between the Group and the lessors.

a Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Short-term leases	36.30	146.10

b Total cash outflow for leases for the year ended 31 March 2021 was ₹ 713.15 lakhs (31 March 2020 ₹ 2,072.95 lakhs).

c Total expense recognised during the year

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Interest on lease liabilities	135.01	484.10
Depreciation on right of use assets	731.10	1,808.61

d Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(₹ in lakhs)					
31 March 2021	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	69.56	-	-	-	69.56
Interest expense	-	-	-	-	-
Net present values	69.56	-	-	-	69.56

(₹ in lakhs)					
31 March 2020	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	1,918.62	2,109.40	440.91	-	4,468.93
Interest expense	504.56	62.24	112.05	-	678.85
Net present values	1,414.06	2,047.16	328.86	-	3,790.08

e Bifurcation of lease liabilities at the end of the year in current and non-current

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
a) Current liability (amount due within one year)	69.56	1,414.06
b) Non-current liability (amount due over one year)	-	2,376.02
Total lease liabilities at the end of the year	69.56	3,790.08

f Information about extension and termination options for year ended 31 March 2021

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	2	0.50 to 0.58	0.54	2	-	2

Information about extension and termination options for year ended 31 March 2020

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	5	1.59 to 2.44	1.98	1	-	5

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****Note – 42****Capital management**

The Group's objectives when managing capital are:

- To ensure Group's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustment to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group manages its capital requirements by overseeing the following ratios–

Debt equity ratio	(₹ in lakhs)	
	31 March 2021	31 March 2020
Net debt*	100,845.52	226,946.14
Total equity	349,370.98	356,900.26
Net debt to equity ratio	0.29	0.64

* Net debt includes non-current borrowings + current borrowings + current maturities of non-current borrowings - cash and cash equivalents (including bank deposits and other liquid securities).

Note – 43**Related party transactions**

Relationship	Name of the related parties
Joint ventures	• Indiabulls Properties Private Limited (from 29 March 2018 and till 25 September 2019) • One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited) (from 29 March 2018 and till 25 September 2019) • Opcore Services Limited (formerly Indiabulls Realty Developers Limited) (from 29 March 2018 and till 25 September 2019) • One Qube Realtors Limited (formerly Ashkit Properties Limited) (from 28 December 2018 and till 25 September 2019) • Yashita Buildcon Limited (from 28 December 2018 and till 25 September 2019) • Concepts International India Private Limited (from 28 December 2018 and till 25 September 2019)
Key management personnel	• Mr. Mehul Johnson (Joint Managing Director) from 31 December 2020 • Mr. Vishal Gaurishankar Damani (Joint Managing Director) till 31 December 2020 • Mr. Gurbans Singh (Joint Managing Director)

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
a.) Transactions with key management personnel and joint ventures
(₹ in lakhs)

Nature of transactions	31 March 2021	31 March 2020
Managerial remuneration		
Mr. Vishal Gaurishankar Damani	114.87	285.68
Mr. Gurbans Singh	357.98	624.32
Mr. Mehul Johnson	72.37	-
Share based payment		
Mr. Vishal Gaurishankar Damani	-	17.78
Mr. Gurbans Singh	-	10.66
Other long-term employment benefits - leave encashment		
Mr. Vishal Gaurishankar Damani	-	6.14
Mr. Gurbans Singh	(23.44)	1.59
Mr. Mehul Johnson	(7.40)	-
Post-employment benefits – gratuity		
Mr. Vishal Gaurishankar Damani	-	1.65
Mr. Gurbans Singh	0.28	0.57
Mr. Mehul Johnson	0.47	-
Post-employment benefits – gratuity (Paid)		
Mr. Vishal Gaurishankar Damani	20.00	-
Salary advance received back (net)		
Mr. Mehul Johnson	22.61	-
Loans given/(received back) (net)		
One Qube Realtors Limited <i>(formerly Ashkit Properties Limited)</i>	-	(3,304.26)
Indiabulls Properties Private Limited	-	(3,369.51)
One International Centre Private Limited <i>(formerly Indiabulls Real Estate Company Private Limited)</i>	-	136.00
Interest income		
One Qube Realtors Limited <i>(formerly Ashkit Properties Limited)</i>	-	246.29
Indiabulls Properties Private Limited	-	41.26
Income from administration, legal and management fee and marketing commission		
Opcore Services Limited <i>(formerly Indiabulls Realty Developers Limited)</i>	-	1,144.32
Yashita Buildcon Limited	-	26.52
Depreciation on right of use assets		
One International Centre Private Limited <i>(formerly Indiabulls Real Estate Company Private Limited)</i>	-	730.86
Interest on lease liabilities		
One International Centre Private Limited <i>(formerly Indiabulls Real Estate Company Private Limited)</i>	-	229.60-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(₹ in lakhs)

Nature of transactions	31 March 2021	31 March 2020
Maintenance expenses		
One International Centre Private Limited <i>(formerly Indiabulls Real Estate Company Private Limited)</i>	-	94.55
Electricity expenses		
One International Centre Private Limited <i>(formerly Indiabulls Real Estate Company Private Limited)</i>	-	43.98
Revenue from construction contracts (excluding taxes)		
Indiabulls Properties Private Limited	-	7,318.26
One International Centre Private Limited <i>(formerly Indiabulls Real Estate Company Private Limited)</i>	-	6,802.86
Corporate guarantees (settled)/given		
Indiabulls Properties Private Limited	-	(256,452.78)
One International Centre Private Limited <i>(formerly Indiabulls Real Estate Company Private Limited)</i>	-	(246,909.35)

b.) Statement of balances outstanding of key management personnel

(₹ in lakhs)

Particulars of balances in respect of related party transactions	31 March 2021	31 March 2020
Post-employment benefits – gratuity		
Mr. Vishal Gaurishankar Damani	-	16.49
Mr. Gurbans Singh	19.88	19.60
Mr. Mehul Johnson	17.65	-
Post-employment benefits – leave encashment		
Mr. Vishal Gaurishankar Damani	-	23.55
Mr. Gurbans Singh	30.07	53.51
Mr. Mehul Johnson	17.18	-
Salary Advance Given		
Mr. Mehul Johnson	112.90	-

Note – 44

Contingent liabilities and commitments

As per the policy of the Group, at each year end, the Group assesses the possible future outcome of the matters disputed with Direct tax, Indirect Tax and other Regulatory authorities. The assessment is made after considering the facts of the case and applicable statutory provisions. Apart from the cases where possibility of a negative outcome is remote are either provided for or disclosed as contingent liability as per management's assessment.

Summary of contingent liabilities

- Corporate guarantee issued by Holding Company on behalf of other entities amounting to ₹ 26.48 lakhs (31 March 2020: ₹ 5,084.06 lakhs).

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

- ii. Contingent liabilities in respect of income-tax demands for which appeals have been filed ₹ 12,719.04 lakhs (31 March 2020: ₹ 12,617.09 lakhs)
- iii. Contingent liabilities in respect of income-tax demands for others ₹ 558.63 lakhs (31 March 2020: ₹ 698.28 lakhs)
- iv. Contingent liabilities in respect of indirect tax cases demand for which appeals have been filed ₹ 4,377.22 lakhs (31 March 2020: ₹ 4,289.09 lakhs)
- v. The Group has certain litigations involving customers. Management believes that these claims may be payable as and when the outcome of matters are finally determined. Based on past trends and internal legal analysis, the management believes that no material liability will devolve on the Group in respect of these litigations.

Note – 45

Employee benefits

Defined contribution plan

The Group has made ₹ 66.76 lakhs (31 March 2020 - ₹ 124.20 lakhs) contribution in respect of provident fund and other funds.

Defined Benefit Plan

The Group has the following Defined Benefit Plans:

- Compensated absences (Unfunded)
- Gratuity (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality risk	Actual death & liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Compensated absences

The leave obligations cover the Group's liability for permitted leaves. The amount of provision of ₹ 50.37 lakhs (31 March 2020 ₹ 20.72 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is in the range of 12.45 to 17.66 years (31 March 2020 - 14.35 to 17.21 years).

Actuarial loss on obligation:

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Actuarial loss on arising from change in demographic assumption	-	6.01
Actuarial (gain)/loss on arising from change in financial assumptions	5.48	(30.77)
Actuarial gain on arising from change in experience adjustment	(153.34)	(108.92)

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Particulars	31 March 2021	31 March 2020
Total	(147.87)	(133.68)

Amount recognised in the statement of profit and loss is as under: (₹ in lakhs)

	31 March 2021	31 March 2020
Service cost	45.08	67.27
Net interest cost	30.06	35.71
Actuarial gain for the year	(186.57)	(133.68)
Expense recognized in the statement of profit and loss	(111.43)	(30.70)

Movement in the liability recognized in the balance sheet is as under: (₹ in lakhs)

	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	430.72	471.27
Adjustment on account of disposal/acquisition of entities	-	-
Service cost	45.08	67.27
Net interest cost	30.05	35.71
Actuarial gain for the year	(186.56)	(133.68)
Benefits paid	(0.65)	(9.84)
Present value of defined benefit obligation at the end of the year	318.65	430.73

Bifurcation of projected benefit obligation at the end of the year in current and non-current (₹ in lakhs)

	Particulars	31 March 2021	31 March 2020
a)	Current liability (amount due within one year)	50.37	20.72
b)	Non - current liability (amount due over one year)	268.26	410.01
	Total projected benefit obligation at the end of the year	318.63	430.73

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Compensated absences	
	31 March 2021	31 March 2020
Discount rate	6.83%	6.99%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2012 -14)

As the Group does not have any plan assets for compensated absences, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan (₹ in lakhs)

	Year	31 March 2021	Year	31 March 2020
a)	April 2021 – March 2022	50.37	April 2020 – March 2021	21.13
b)	April 2022 – March 2023	6.14	April 2021 – March 2022	70.39
c)	April 2023 – March 2024	9.31	April 2022 – March 2023	7.68

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

	Year	31 March 2021	Year	31 March 2020
d)	April 2024 – March 2025	5.86	April 2023 – March 2024	21.65
e)	April 2025 – March 2026	7.68	April 2024 – March 2025	14.08
f)	April 2026 – March 2027	20.76	April 2025 – March 2026	11.25
g)	April 2027 onwards	219.02	April 2026 onwards	591.42

Sensitivity analysis for compensated absences

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	318.64	430.73
a) Impact due to increase of 0.50 %	(16.23)	(23.04)
b) Impact due to decrease of 0.50 %	17.52	24.75
Impact of the change in salary increase		
Present value of obligation at the end of the year	318.64	430.73
a) Impact due to increase of 0.50 %	18.37	25.13
b) Impact due to decrease of 0.50 %	(16.99)	(25.84)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is in the range of 14.35 to 17.66 years (31 March 2020: 14.35 to 17.21 years)

Actuarial (gain)/loss on obligation recognised in other comprehensive income

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Actuarial gain on arising from change in demographic assumption	-	(0.93)
Actuarial loss on arising from change in financial assumptions	16.15	87.53
Actuarial (gain)/loss on arising from change in experience adjustment	(108.44)	(131.25)
Total	(92.28)	(44.65)

Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

	31 March 2021	31 March 2020
Service cost	120.16	174.23
Net interest cost	85.35	96.59
Expense recognized in the statement of profit and loss	205.51	270.82

Movement in the liability recognized in the balance sheet is as under:

(₹ in lakhs)

	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	1224.36	1,275.43
Service cost	117.40	174.23
Adjustment on account of disposal of entities	-	-
Net interest cost	88.11	96.59
Actuarial loss for the year	(141.07)	(44.65)
Benefits paid	(310.91)	(277.23)
Present value of defined benefit obligation at the end of the year	977.90	1,224.37

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Bifurcation of projected benefit obligation at the end of the year in current and non-current (₹ in lakhs)

	Particulars	31 March 2021	31 March 2020
a)	Current liability (amount due within one year)	70.17	62.19
b)	Non - current liability (amount due over one year)	907.74	1,162.18
	Total projected benefit obligation at the end of the year	977.91	1,224.37

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2021	31 March 2020
Discount rate	6.83%	6.99%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2012 -14)

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan (₹ in lakhs)

	Year	31 March 2021	Year	31 March 2020
a)	April 2021 – March 2022	70.17	April 2020 – March 2021	63.40
b)	April 2022 – March 2023	31.08	April 2021 – March 2022	57.56
c)	April 2023 – March 2024	31.80	April 2022 – March 2023	26.53
d)	April 2024 – March 2025	18.94	April 2023 – March 2024	54.94
e)	April 2025 – March 2026	26.60	April 2024 – March 2025	39.27
f)	April 2026 – March 2027	65.65	April 2025 – March 2026	40.18
g)	April 2027 onwards	733.70	April 2026 onwards	1,851.60

Sensitivity analysis for gratuity (₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	977.90	1,224.37
a) Impact due to increase of 0.50 %	(53.38)	(74.62)
b) Impact due to decrease of 0.50 %	61.37	81.76
Impact of the change in salary increase		
Present value of obligation at the end of the year	977.90	1,224.37
a) Impact due to increase of 0.50 %	60.93	82.07
b) Impact due to decrease of 0.50 %	(53.35)	(75.52)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Note – 46

Share based payments

Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II)

During the year ended 31 March 2009, the Holding Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, the Holding Company issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each in the Holding Company, at an exercise price of ₹

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at 29 January 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 31 January 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan:

Particulars	31 March 2021	31 March 2020
Opening balance	126,000	165,000
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	48,000	39,000
Closing balance	78,000	126,000
Vested and exercisable	78,000	126,000

Weighted average share exercised price during the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ Nil)

The fair value of the option under Plan II using the black scholes model, based on the following parameters is ₹ 62.79 per option, as certified by an independent valuer.

Particulars	Plan – II
Fair market value of option on the date of grant	₹ 62.79
Exercise price	₹ 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	10.5 Years
Expected dividend yield	3.92%
Risk free interest rate	6.50%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2010 (III)

During the year ended 31 March 2011, the Board of Directors and shareholders of the Holding Company have given their consent to create, issue, offer and allot to the eligible employees of the Holding Company and its subsidiary companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 equity shares of face value of ₹2 each of the Holding Company, accordingly the Employee Stock Option Plan - 2010 ("IBREL ESOP 2010" or "Plan-III")) has been formed. As per the scheme exercise price will be the market price of the equity shares of the Holding Company, being the latest available closing price, prior to the date of grant or as the case may be decided by the board of directors or compensation committee. During the year ended 31 March 2016, board of directors of the Holding Company at its meeting held on 26 June 2015, re-granted (original grant was of date 14 November 2015) under the "Indiabulls Real Estate Limited Employees Stock Options Plan - 2010", 10,500,000 stock options to eligible employees of the Holding Company and its subsidiary companies representing an equal number of equity shares of face value of ₹ 2 each in the Holding Company, at an exercise price of ₹ 54.50, being the closing market price of previous day on the National Stock Exchange of India Limited. The stock options so granted, shall vest within 5 years beginning from 26 June 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan –

Particulars	31 March 2021	31 March 2020
Opening balance	1,708,788	6,042,950
Granted during the year	-	-
Exercised during the year	-	3,983,587

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Forfeited during the year	263,100	350,575
Closing balance	1,445,688	1,708,788
Vested and exercisable	1,445,688	28,668

Weighted average share exercised price during the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ 119.29)

The fair value of the option under Plan III using the black scholes model, based on the following parameters is ₹ 34.30 per option, as certified by an independent valuer.

Particulars	Plan – III
Fair market value of option on the date of grant	₹ 34.30
Exercise price	₹ 54.50
Expected volatility	89%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	8 Years
Expected dividend yield	3.45%
Risk free interest rate	8.03%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2011 (IV)

During the year ended 31 March 2012, the board of directors and shareholders of the Holding Company have given their consent to create, issue, offer and allot, to the eligible employees of the Holding Company and its subsidiary companies, stock options not exceeding 15,000,000 in number, representing 15,000,000 equity shares of face value of ₹2 each, and accordingly the Employee Stock Option Scheme 2011 (“IBREL ESOS 2011”) has been formed. As per the scheme exercise price will be the market price of the equity shares of the Holding Company, being the latest available closing price, prior to the date of grant or as may be decided by the board or compensation committee. However, compensation committee of the board has not yet granted any options under IBREL ESOP 2011 Scheme.

Note – 47**Group information****Information about subsidiaries**

The information about subsidiaries of the Holding Company is as follows. The below table includes the information about step down subsidiaries as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Aedos Real Estate Company Limited	India	100.00%	100.00%
Airmid Developers Limited	India	100.00%	100.00%
Airmid Properties Limited	India	100.00%	100.00%
Airmid Real Estate Limited	India	100.00%	100.00%
Albasta Constructions Limited	India	100.00%	100.00%
Albasta Developers Limited	India	100.00%	100.00%
Albasta Infrastructure Limited	India	100.00%	100.00%
Albasta Properties Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Albasta Real Estate Limited	India	100.00%	100.00%
Albina Properties Limited	India	100.00%	100.00%
Albina Real Estate Limited	India	100.00%	100.00%
Amadis Land Development Limited	India	100.00%	100.00%
Angina Properties Limited	India	100.00%	100.00%
Angles Constructions Limited	India	100.00%	100.00%
Apesh Constructions Limited	India	100.00%	100.00%
Apesh Properties Limited	India	100.00%	100.00%
Apesh Real Estate Limited	India	100.00%	100.00%
Ashkit Constructions Limited	India	100.00%	100.00%
Athena Builders and Developers Limited	India	100.00%	100.00%
Athena Buildwell Limited	India	100.00%	100.00%
Athena Infrastructure Limited	India	100.00%	100.00%
Athena Land Development Limited	India	100.00%	100.00%
Aurora Builders and Developers Limited	India	100.00%	100.00%
Bridget Builders and Developers Limited	India	100.00%	100.00%
Catherine Builders and Developers Limited	India	100.00%	100.00%
Ceres Constructions Limited	India	100.00%	100.00%
Ceres Estate Limited	India	100.00%	100.00%
Ceres Infrastructure Limited	India	100.00%	100.00%
Ceres Land Development Limited	India	100.00%	100.00%
Ceres Properties Limited	India	100.00%	100.00%
Chloris Real Estate Limited	India	100.00%	100.00%
Citra Developers Limited	India	100.00%	100.00%
Citra Properties Limited	India	100.00%	100.00%
Cobitis Buildwell Limited	India	100.00%	100.00%
Cobitis Real Estate Limited	India	100.00%	100.00%
Corus Real Estate Limited	India	100.00%	100.00%
Devona Developers Limited	India	100.00%	100.00%
Devona Infrastructure Limited	India	100.00%	100.00%
Devona Properties Limited	India	100.00%	100.00%
Diana Infrastructure Limited	India	100.00%	100.00%
Diana Land Development Limited	India	100.00%	100.00%
Edesia Constructions Limited	India	100.00%	100.00%
Edesia Developers Limited	India	100.00%	100.00%
Edesia Infrastructure Limited	India	100.00%	100.00%
Elena Constructions Limited	India	100.00%	100.00%
Elena Properties Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Fama Builders and Developers Limited	India	100.00%	100.00%
Fama Construction Limited	India	100.00%	100.00%
Fama Estate Limited	India	100.00%	100.00%
Fama Infrastructure Limited	India	100.00%	100.00%
Fama Land Development Limited	India	100.00%	100.00%
Fama Properties Limited	India	100.00%	100.00%
Flora Land Development Limited	India	100.00%	100.00%
Fornax Constructions Limited	India	100.00%	100.00%
Fornax Real Estate Limited	India	100.00%	100.00%
Galium Builders And Developers Limited	India	100.00%	100.00%
Hecate Power and Land Development Limited	India	100.00%	100.00%
Hermes Builders and Developers Limited	India	100.00%	100.00%
Hermes Properties Limited	India	100.00%	100.00%
IB Assets Limited	India	100.00%	100.00%
IB Holdings Limited	India	100.00%	100.00%
Indiabulls Buildcon Limited	India	100.00%	100.00%
Indiabulls Commercial Assets Limited	India	100.00%	100.00%
Indiabulls Commercial Estate Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Management Limited	India	100.00%	100.00%
Indiabulls Communication Infrastructure Limited	India	100.00%	100.00%
Indiabulls Constructions Limited	India	100.00%	100.00%
Indiabulls Engineering Limited	India	100.00%	100.00%
Indiabulls Estate Limited	India	100.00%	100.00%
Indiabulls Hotel Properties Limited	India	100.00%	100.00%
Indiabulls Housing and Constructions Limited	India	100.00%	100.00%
Indiabulls Housing and Land Development Limited	India	100.00%	100.00%
Indiabulls Housing Developers Limited	India	100.00%	100.00%
Indiabulls Industrial Infrastructure Limited	India	89.01%	89.01%
Indiabulls Infraestate Limited	India	100.00%	100.00%
Indiabulls Infrastructure Projects Limited	India	100.00%	100.00%
Indiabulls Infratech Limited	India	100.00%	100.00%
Indiabulls Land Holdings Limited	India	100.00%	100.00%
Indiabulls Lands Limited	India	100.00%	100.00%
Indiabulls Multiplex Services Limited	India	100.00%	100.00%
Indiabulls Natural Resources Limited	India	100.00%	100.00%
Indiabulls Projects Limited	India	100.00%	100.00%
Indiabulls Real Estate Builders Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Indiabulls Real Estate Developers Limited	India	100.00%	100.00%
Indiabulls Realty Company Limited	India	100.00%	100.00%
Indiabulls Software Parks Limited	India	100.00%	100.00%
Ivonne Infrastructure Limited	India	100.00%	100.00%
Juventus Constructions Limited	India	100.00%	100.00%
Juventus Estate Limited	India	100.00%	100.00%
Juventus Infrastructure Limited	India	100.00%	100.00%
Juventus Land Development Limited	India	100.00%	100.00%
Juventus Properties Limited	India	100.00%	100.00%
Kailash Buildwell Limited	India	100.00%	100.00%
Kaltha Developers Limited	India	100.00%	100.00%
Karakoram Buildwell Limited	India	100.00%	100.00%
Karakoram Properties Limited	India	100.00%	100.00%
Kenneth Builders and Developers Limited	India	100.00%	100.00%
Lakisha Infrastructure Limited	India	100.00%	100.00%
Lavone Builders And Developers Limited	India	100.00%	100.00%
Lenus Constructions Limited	India	100.00%	100.00%
Lenus Infrastructure Limited	India	100.00%	100.00%
Lenus Properties Limited	India	100.00%	100.00%
Linnet Constructions Limited	India	100.00%	100.00%
Linnet Developers Limited	India	100.00%	100.00%
Linnet Infrastructure Limited	India	100.00%	100.00%
Linnet Properties Limited	India	100.00%	100.00%
Linnet Real Estate Limited	India	100.00%	100.00%
Loon Infrastructure Limited	India	100.00%	100.00%
Lorena Builders Limited	India	100.00%	100.00%
Lorena Constructions Limited	India	100.00%	100.00%
Lorena Developers Limited	India	100.00%	100.00%
Lorena Infrastructure Limited	India	100.00%	100.00%
Lorena Real Estate Limited	India	100.00%	100.00%
Lorita Developers Limited	India	100.00%	100.00%
Lucina Builders and Developers Limited	India	100.00%	100.00%
Lucina Buildwell Limited	India	100.00%	100.00%
Lucina Constructions Limited	India	100.00%	100.00%
Lucina Estate Limited	India	100.00%	100.00%
Lucina Land Development Limited	India	100.00%	100.00%
Lucina Properties Limited	India	100.00%	100.00%
Mabon Constructions Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Mabon Infrastructure Limited	India	100.00%	100.00%
Mabon Properties Limited	India	100.00%	100.00%
Majesta Builders Limited	India	100.00%	100.00%
Majesta Constructions Limited	India	100.00%	100.00%
Majesta Developers Limited	India	100.00%	100.00%
Majesta Infrastructure Limited	India	100.00%	100.00%
Majesta Properties Limited	India	100.00%	100.00%
Makala Infrastructure Limited	India	100.00%	100.00%
Manjola Infrastructure Limited	India	100.00%	100.00%
Manjola Real Estate Limited	India	100.00%	100.00%
Mariana Constructions Limited	India	100.00%	100.00%
Mariana Developers Limited	India	100.00%	100.00%
Mariana Properties Limited	India	100.00%	100.00%
Mariana Real Estate Limited	India	100.00%	100.00%
Milkyway Buildcon Limited	India	100.00%	100.00%
Nerissa Constructions Limited	India	100.00%	100.00%
Nerissa Developers Limited	India	100.00%	100.00%
Nerissa Infrastructure Limited	India	100.00%	100.00%
Nerissa Properties Limited	India	100.00%	100.00%
Nerissa Real Estate Limited	India	100.00%	100.00%
Nilgiri Buildwell Limited	India	100.00%	100.00%
Nilgiri Infraestate Limited	India	100.00%	100.00%
Nilgiri Infrastructure Development Limited	India	100.00%	100.00%
Nilgiri Infrastructure Limited	India	100.00%	100.00%
Nilgiri Infrastructure Projects Limited	India	100.00%	100.00%
Nilgiri Land Development Limited	India	100.00%	100.00%
Nilgiri Land Holdings Limited	India	100.00%	100.00%
Nilgiri Lands Limited	India	100.00%	100.00%
Nilgiri Resources Limited	India	100.00%	100.00%
Noble Realtors Limited	India	100.00%	100.00%
Paidia Infrastructure Limited	India	100.00%	100.00%
Parmida Constructions Limited	India	100.00%	100.00%
Parmida Developers Limited	India	100.00%	100.00%
Parmida Properties Limited	India	100.00%	100.00%
Platane Infrastructure Limited	India	100.00%	100.00%
Selene Builders and Developers Limited	India	100.00%	100.00%
Selene Buildwell Limited	India	100.00%	100.00%
Selene Constructions Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Selene Infrastructure Limited	India	100.00%	100.00%
Selene Land Development Limited	India	100.00%	100.00%
Selene Properties Limited	India	100.00%	100.00%
Sentia Constructions Limited	India	100.00%	100.00%
Sentia Developers Limited	India	100.00%	100.00%
Sentia Infrastructure Limited	India	100.00%	100.00%
Sentia Real Estate Limited	India	100.00%	100.00%
Sepset Developers Limited	India	100.00%	100.00%
Sepset Real Estate Limited	India	100.00%	100.00%
Serida Infrastructure Limited	India	100.00%	100.00%
Serida Properties Limited	India	100.00%	100.00%
Serpentes Constructions Limited	India	100.00%	100.00%
Shivalik Properties Limited	India	100.00%	100.00%
Sophia Constructions Limited	India	100.00%	100.00%
Sophia Real Estate Limited	India	100.00%	100.00%
Sylvanus Properties Limited	India	100.00%	100.00%
Tapir Constructions Limited	India	100.00%	100.00%
Tapir Land Development Limited	India	100.00%	100.00%
Tefia Land Development Limited	India	100.00%	100.00%
Triton Buildwell Limited	India	100.00%	100.00%
Triton Estate Limited	India	100.00%	100.00%
Triton Infrastructure Limited	India	100.00%	100.00%
Triton Properties Limited	India	100.00%	100.00%
Varali Constructions Limited	India	100.00%	100.00%
Varali Developers Limited	India	100.00%	100.00%
Varali Infrastructure Limited	India	100.00%	100.00%
Varali Properties Limited	India	100.00%	100.00%
Varali Real Estate Limited	India	100.00%	100.00%
Vindhyachal Buildwell Limited	India	100.00%	100.00%
Vindhyachal Developers Limited	India	100.00%	100.00%
Vindhyachal Infrastructure Limited	India	100.00%	100.00%
Vindhyachal Land Development Limited	India	100.00%	100.00%
Vonnie Real Estate Limited	India	100.00%	100.00%
Zeus Builders And Developers Limited	India	100.00%	100.00%
Zeus Buildwell Limited	India	100.00%	100.00%
Zeus Estate Limited	India	100.00%	100.00%
Zeus Properties Limited	India	100.00%	100.00%
Arianca Limited	Cyprus	100.00%	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Ariston Investments Limited	Mauritius	100.00%	100.00%
Ariston Investments Sub C Limited	Mauritius	100.00%	100.00%
Brenformexa Limited	Cyprus	100.00%	100.00%
Dev Property Development Limited	Isle of Man	100.00%	100.00%
Foundvest Limited	Cyprus	100.00%	100.00%
Grand Limited	Jersey	100.00%	100.00%
Grapene Limited	Cyprus	100.00%	100.00%
Indiabulls Properties Investment Trust	Singapore	100.00%	100.00%
Indiabulls Property Management Trustee Pte. Limited.	Singapore	100.00%	100.00%
M Holdco 1 Limited	Mauritius	100.00%	100.00%
M Holdco 2 Limited	Mauritius	100.00%	100.00%
M Holdco 3 Limited	Mauritius	100.00%	100.00%
Navilith Holdings Limited	Cyprus	100.00%	100.00%
Shoxell Holdings Limited	Cyprus	100.00%	100.00%

Note – 48

- (i) During the year ended 31 March 2020, the Holding Company had sold the entire stake in Century Limited (which indirectly owns Hanover Square property, London) to Clivedale Overseas Limited, an entity owned by the Promoters, for an aggregate consideration of ₹ 183,693.00 Lakhs (GBP 200 Million), based on an independent valuation and accordingly, the Group has recognized gain on sale amounting to ₹ 2,347.33 lakhs in the consolidated financial statements for the year ended 31 March 2020.
- (ii) During the year ended 31 March 2020, the Group had sold the remaining stake in existing joint venture companies namely Indiabulls Properties Private Limited (including its subsidiary Opcore Services Limited (formerly Indiabulls Realty Developers Limited)) and One International Centre Private Limited (formerly known as Indiabulls Real Estate Company Private Limited) (both owning assets in Mumbai) and Yashita Buildcon Limited (including its subsidiary Concepts International India Private Limited) and One Qube Realtors Limited (formerly Ashkit Properties Limited) (both owning assets in Gurugram) to the entities controlled by Blackstone Group Inc. ('Blackstone') for an aggregate consideration of ₹ 271,700.00 lakhs and accordingly, the Group has recognized gain on sale amounting to ₹ 78,054.65 lakhs in the consolidated financial statements for the year ended 31 March 2020.
- (iii) During the year ended 31 March 2020, the Holding Company had executed definitive transaction agreement with entity controlled by the Blackstone Group Inc. ('Purchaser') to divest its 100% stake in one of the subsidiary company namely Mariana Infrastructure Limited ('Mariana'), which holds commercial asset at Gurgaon at a consideration of ₹ 13,564.93 lakhs. As part of the said transaction, the Holding Company has divested partial stake of the Holding Company in Mariana which has resulted in loss of control in Mariana and accordingly Mariana has been de-consolidated resulting in loss amounting to ₹ 223.69 lakhs recognised in the consolidated financial statements for the year ended 31 March 2020. Further, the remaining investment had also been classified as held for sale.
- (iv) During the year ended 31 March 2020, Indiabulls Infraestate Limited, one of the wholly owned subsidiary companies of the Group had entered into definitive transaction agreement and had sold one of the commercial

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

asset/developments at Mumbai to one of the entity controlled by the Blackstone Group Inc. ('Purchaser') for a consideration of ₹ 67,500.00 lakhs. Part of this consideration had been settled by transferring existing liability pertaining to debentures of ₹ 45,815.06 lakhs. Additionally, accrued liability of ₹ 36,000.00 lakhs pertaining to government expenses had also been extinguished in connection with this transaction. Accordingly, the Subsidiary Company had recognized related revenue of ₹ 103,500.00 lakhs and charged off the inventory of ₹ 87,287.51 lakhs in respect of said commercial asset/development, in the consolidated financial statements for the year ended 31 March 2020.

Note – 49

- (i) During the year ended 31 March 2020, the Holding Company had sold its entire stake in one of its wholly owned subsidiaries, namely Lakisha Real Estate Limited for an aggregate consideration of ₹ 2,079.21 lakhs and accordingly, the Group had recognised gain on sale amounting to ₹ 3,106.06 lakhs in the consolidated financial statements for the year ended 31 March 2020.
- (ii) During the year ended 31 March 2020, the Holding Company had sold its entire stake in its wholly owned subsidiary, Loon Land Development Limited for an aggregate consideration of ₹ 5.00 lakhs.
- (iii) During the year ended 31 March 2020, the group had sold the entire stake in a subsidiary namely IPMT Limited, to Clivedale Overseas Limited, an entity owned by the Promoters, for an aggregate consideration of GBP 1.

Note – 50

Subsidiaries with material non-controlling interest ('NCI')

The group includes following subsidiaries, with material non-controlling interests, as mentioned below:

Description	Country	31 March 2021	31 March 2020
Indiabulls Industrial Infrastructure Limited	India	10.99%	10.99%

The summarised financial information of the subsidiaries before inter-group eliminations are set out below:

Indiabulls Industrial Infrastructure Limited

Balance sheet

(₹ in lakhs)

Description	31 March 2021	31 March 2020
Non-current assets	13,789.42	14,477.71
Current assets	14,124.99	13,164.83
Total assets	27,914.41	27,642.54
Non-current liabilities	17,081.17	17,242.12
Current liabilities	402.50	348.20
Total liabilities	17,483.67	17,590.32
Net assets/total equity	10,430.74	10,052.22
Attributable to:		
Controlling interests	9,284.40	8,947.48
Non-controlling interests	1,146.34	1,104.74

Statement of profit and loss

(₹ in lakhs)

Description	31 March 2021	31 March 2020

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Revenue and other income	1,311.05	1,226.61
Profit for the year	356.32	380.73
Total comprehensive income	378.18	380.67
Attributable to non-controlling interests	41.60	41.29

Cash flow information

(₹ in lakhs)

Description	31 March 2021	31 March 2020
Cash used in operating activities	(218.39)	(210.98)
Cash flow from investing activities	219.10	210.16
Net decrease in cash and cash equivalents	0.71	(0.82)

Note – 51

Information about erstwhile Joint Ventures

S.No	Name of Entity	Principal activities	Country of incorporation/ principal place of business	Proportion of ownership (%) as at 31 March 2021	Proportion of ownership (%) as at 31 March 2020
1	One International Centre Private Limited (formerly Indiabulls Real Estate Company Private Limited) (from 29 March 2018 to 25 September 2019)	Real estate development and leasing	India	-	-
2	Indiabulls Properties Private Limited (from 29 March 2018 to 25 September 2019)	Real estate development and leasing	India	-	-
3	Opcore Services Limited (formerly Indiabulls Realty Developers Limited) (from 29 March 2018 to 25 September 2019)	Maintenance of real estate properties	India	-	-
4	One Qube Realtors Limited (formerly Ashkit Properties Limited) (from 28 December 2018 to 25 September 2019)	Real estate development and leasing	India	-	-
5	Yashita Buildcon Limited (from 28 December 2018 to 25 September 2019)	Maintenance of real estate properties	India	-	-
6	Concepts International India Private Limited (from 28 December 2018 to 25 September 2019)	Real estate development and leasing	India	-	-

Summarised financial information for joint ventures –

(₹ in lakhs)

Description	31 March 2021	31 March 2020*
Share of loss including other comprehensive income in joint ventures (net) – Material	-	(46,419.22)
Share of profit including other comprehensive income in joint ventures (net) - Non-material	-	138.27
Total share of loss from joint ventures (including other comprehensive income)	-	(46,280.95)

* Numbers are included till the date of sale of stake i.e. 25 September 2019.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

The tables below provide summarised financial information for those joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures.

(₹ in lakhs)

Particulars	Indiabulls Properties Private Limited		One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)	
	31 March 2021	Till 25 September 2019	31 March 2021	Till 25 September 2019
Statement of profit and loss				
Revenue	-	18,531.07	-	16,082.33
Interest income	-	1,675.55	-	2,057.70
Other income	-	291.58	-	94.19
Total revenue (A)	-	20,498.20	-	18,234.22
Cost of revenue	-	13,022.55	-	1,757.19
Employee benefit expense	-	2.00	-	-
Finance costs	-	3,711.02	-	6,719.18
Depreciation and amortisation	-	1,821.62	-	1,731.12
Other expense	-	8,447.02	-	1,320.73
Total expenses (B)	-	27,004.21	-	11,528.84
(Loss)/profit before tax (C = A-B)	-	(6,506.01)	-	6,706.00
Tax expense (D)	-	869.05	-	48.59
(Loss)/profit for the year (E = C-D)	-	(7,375.06)	-	6,656.79
Other comprehensive income (F)	-	(37,406.58)	-	(54,839.03)
Total comprehensive income (E+F)	-	(44,781.64)	-	(48,182.24)
Share of (loss)/profit for the year	-	(22,390.82)	-	(24,091.12)

(₹ in lakhs)

Particulars	One Qube Realtors Limited (formerly Ashkit Properties Limited)		Concepts International India Private Limited	
	31 March 2021	Till 25 September 2019	31 March 2021	Till 25 September 2019
Statement of profit and loss				
Revenue	-	-	-	1,157.23
Other income	-	2.67	-	20.57

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(₹ in lakhs)

Particulars	One Qube Realtors Limited (formerly Ashkit Properties Limited)		Concepts International India Private Limited	
	31 March 2021	Till 25 September 2019	31 March 2021	Till 25 September 2019
Statement of profit and loss				
Total revenue (A)	-	2.67	-	1,177.80
Employee benefit expense	-	-	-	-
Finance costs	-	-	-	658.61
Depreciation and amortisation	-	1.37	-	162.89
Other expense	-	44.57	-	297.91
Total expenses (B)	-	45.94	-	1,119.49
(Loss)/profit before tax (C = A-B)	-	(43.27)	-	58.34
Tax expense (D)	-	(0.13)	-	(110.19)
(Loss)/profit for the year (E = C-D)	-	(43.14)	-	168.58
Other comprehensive income (F)	-	-	-	-
Total comprehensive income (E+F)	-	(43.14)	-	168.53
Share of (loss)/profit for the year	-	(21.57)	-	84.29

Note – 52

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows.

A. The changes in the Group's liabilities arising from financing activities can be classified as follows:

(₹ lakhs)

	Non-current borrowings (including current maturities and interest accrued)	Current borrowings	Total
Net debt as at 01 April 2019	454,316.39	101,500.00	555,816.39
Proceeds from current/non-current borrowings (including current maturities)	78,498.10	101,500.00	179,998.10
Repayment of current/non-current borrowings (including current maturities)	(114,732.70)	(203,000.00)	(317,732.70)
Non-cash movement arising on account of disposal of subsidiaries	(145,781.18)	-	(145,781.18)
Non-cash movement arising on account of amortisation of upfront fees and others	(345.38)	-	(345.38)
Interest expense	51,927.29	-	51,927.29
Interest paid	(51,401.22)	-	(51,401.22)
Net debt as at 31 March 2020	272,481.30	-	272,481.30

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Proceeds from current/non-current borrowings (including current maturities)	426,214.00	8,000.00	434,214.00
Repayment of current/non-current borrowings (including current maturities)	(575,167.41)	(8,000.00)	(583,167.41)
Non-cash movement arising on account of amortisation of upfront fees and others	(284.13)	-	(284.13)
Interest expense	28,830.82	-	28,830.82
Interest paid	(28,067.60)	-	(28,067.60)
Net debt as at 31 March 2021	124,006.98	-	124,006.98

B. The changes in the Group's lease liabilities arising from financing activities can be classified as follows:

	(₹ in lakhs)
Lease liabilities as at 1 April 2019 (current and non-current)	5,339.90
Interest on lease liabilities	484.10
Payment of lease liabilities	(2,072.95)
Impact on account of termination of lease contract during the year	(226.26)
Non-cash movement	265.29
Lease liabilities as at 31 March 2020 (current and non-current)	3,790.08
Interest on lease liabilities	135.01
Payment of lease liabilities	(826.03)
Impact on account of termination of lease contract during the year	(3,029.50)
Lease liabilities as at 31 March 2021 (current and non-current)	69.56

Note – 53

During the previous year ended 31 March 2020, 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 on-going, completed and planned residential and commercial projects of Embassy Property Developments Private Limited ('Embassy') with the Holding Company. The Board had 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. Additionally, Embassy has also reached at an advanced stage of discussions with certain foreign financial investors ('investors') for an investment of up to USD 200 million.

Subsequently in the Current year, the Board of Directors of the Holding Company had considered and approved the proposal of merger of NAM Estates Private Limited ("NAM Estates") and Embassy One Commercial Property Development Private Limited ("NAM Opco") both Embassy group entities with the Company ("Amalgamation"). The proposed Amalgamation will be achieved through a cashless composite scheme of amalgamation of NAM Estates and NAM Opco into the Company, in accordance with Section 230-232 of the Companies Act, 2013 read with the rules framed thereunder, as amended, and the Securities and Exchange Board of India circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017, as amended and other applicable regulations and provisions, subject to necessary statutory and other approvals ("Scheme"). Upon effectiveness of the Scheme, the Holding Company will issue its equity shares, in accordance with the approved share swap ratios, to the shareholders of NAM Estates and NAM Opco, which will include

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Embassy promoter and promoter entities, Embassy institutional investors and other shareholders. For the proposed Amalgamation and arriving to share swap ratio, IBREL is valued at ₹ 92.50 per share.

During the year, the Scheme has been granted approval by Competition Commission of India ("CCI") and SEBI/Stock exchanges.

Note – 54

The proposed buy-back of Equity Shares of the Holding Company has been withdrawn by the board during the current financial year.

The buy-back was announced after the Holding Company obtained approval of Board of Directors ('the Board') to buy-back up to 5 crore fully paid-up equity shares of face value ₹ 2 each of the Holding Company, representing approximately 11% of its total existing paid-up equity capital, at ₹ 100 per equity share, aggregating to total buyback size of ₹ 50,000 lakhs, through the "Tender Offer" route, as prescribed under SEBI (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as amended (hereinafter referred to as the "Buyback"), post completion of on-going scheme of arrangement of Chennai assets, which has been filed by the Company with Registrar of Companies on 19 March 2020, the Holding Company is now eligible to launch the buy-back and hence the Board constituted Buyback Committee and has advised the Company's management to initiate the process of obtaining Holding Company's shareholders approval through the process of postal ballot to implement the proposed buy-back.

Note – 55

During the year ended 31 March 2020, Indiabulls Infraestate Limited, one of the wholly owned subsidiary companies of the Group had recorded cancellation of multiple units in its project. The related revenue of ₹ 87,791.17 lakhs and cost of ₹ 47,073.97 lakhs had been recognised in the consolidated financial statements for the year ended 31 March 2020. These units had been cancelled based on the terms of the agreement entered between the parties on account of non-payment of certain outstanding dues, pertaining to those units. The refunds arising of these cancellations had been duly paid to the customers/lenders where these units were mortgaged.

Note – 56

During the year ended 31 March 2020, the Holding Company had received the approval of the National Company Law Tribunal ('Hon'ble NCLT'), Principal Bench, New Delhi to the Scheme of Arrangement ('the Scheme') between Indiabulls Real Estate Limited ('petitioner/transferee company'), India Land and Properties Limited ('transferor company'), Indiabulls Infrastructure Limited ('resulting company') and their respective shareholders and creditors, pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Holding Company has filed the Scheme with Registrar of Companies ('ROC') on 19 March 2020. Pursuant to the Scheme, during the financial year 2019-20, the Holding Company had acquired redeemable preference shares amounting to ₹ 45,000.00 lakhs issued by one of the wholly owned subsidiary of the Holding Company and other assets amounting to ₹ 1,520.00 lakhs from the transferor company. The approval of the Scheme was part of overall transaction to divest 100% stake in resulting company (owning Chennai assets). Further, the Holding Company has also valued the remaining stake in resulting company (classified as assets held for sale) at fair value and thus, recognising net gain on the said transaction amounting to ₹ 21,406.90 lakhs in the consolidated financial statements for the year ended 31 March 2020.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note – 57

Segment Reporting

The Group's primary business segment is reflected based on principal business activities carried on by the Group. 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 Group 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.

Note – 58

During the previous year ended 31 March 2020, the Holding Company had received a fixed consideration amounting to ₹ 13,707.00 lakhs as full and final settlement against one of its projects. As a result of this, the Holding Company had surrendered and relinquished all its rights, titles and interest of any nature in respect of the said project. Accordingly, the Holding Company had recognized revenue of ₹ 13,707.00 lakhs and written off the carrying cost of the inventory of ₹ 7,042.57 as cost of sales in the consolidated financial statements for the year ended 31 March 2020.

Note – 59

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Group, the additional impact on Provident Fund contributions by the Group is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Group could be material. The Group will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note – 60

During the year, one of the wholly owned subsidiary of the Group has advanced an interest-bearing sum of ₹ 22,500.00 lakhs to a party outside the group of which ₹ 22,500.00 lakhs is outstanding as at 31 March 2021. During the previous year, two of the wholly owned subsidiaries of the Group had advanced an interest-bearing sum of ₹ 105,141.00 lakhs to parties outside the group of which ₹ 89,755.26 lakhs is outstanding as at 31 March 2020 (inclusive of interest on such loans amounting to ₹ 5,847.26 lakhs). Based on the terms of these loans, confirmations received by the management from these third parties and recoverability assessment done by the management, no impairment has been considered necessary in these consolidated financial statements.

Note - 61

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)
Holding Company								
Indiabulls Real Estate Limited	(1.61%)	(5,629.33)	(3081.41%)	(13,257.75)	856.31%	2,616.21	(1446.31%)	(10,641.54)
Indian subsidiaries								-
Sylvanus Properties Limited	3.92%	13,696.04	(883.09%)	(3,799.51)	0.00%	-	(516.40%)	(3,799.51)
Lucina Land Development Limited	(0.27%)	(931.63)	35.85%	154.24	(11.76%)	(35.94)	16.08%	118.30
Athena Infrastructure Limited	3.29%	11,502.92	(550.39%)	(2,368.04)	6.26%	19.14	(319.24%)	(2,348.90)
Selene Constructions Limited	1.21%	4,227.61	(108.80%)	(468.12)	(0.06%)	(0.17)	(63.65%)	(468.29)
Indiabulls Infraestate Limited	36.65%	128,030.51	5146.11%	22,141.15	9.63%	29.41	3013.25%	22,170.56
Varali Properties Limited	(0.36%)	(1,273.62)	51.03%	219.57	0.00%	-	29.84%	219.57
Noble Realtors Limited	(0.07%)	(250.00)	(0.05%)	(0.20)	0.00%	-	(0.03%)	(0.20)
Nilgiri Infrastructure Development Limited	(0.00%)	(0.04)	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Vindhyachal Infrastructure Limited	0.29%	1,024.46	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Ceres Constructions Limited	0.10%	362.13	(0.04%)	(0.19)	0.00%	-	(0.03%)	(0.19)
Shivalik Properties Limited	0.11%	375.72	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Corus Real Estate Limited	0.19%	662.65	(3.84%)	(16.54)	0.00%	-	(2.25%)	(16.54)
Airmid Properties Limited	0.19%	670.20	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Fama Infrastructure Limited	0.04%	141.19	(0.02%)	(0.10)	0.00%	-	(0.01%)	(0.10)
Chloris Real Estate Limited	0.41%	1,429.60	(3.84%)	(16.53)	0.00%	-	(2.25%)	(16.53)
Albina Real Estate Limited	(0.01%)	(41.04)	(0.18%)	(0.76)	0.00%	-	(0.10%)	(0.76)
Devona Infrastructure Limited	0.00%	0.07	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Serida Properties Limited	(0.00%)	(0.03)	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Indiabulls Infotech Limited	0.00%	-	10.90%	46.92	0.00%	-	6.38%	46.92
Indiabulls Estate Limited	2.79%	9,754.79	12.79%	55.05	1.53%	4.68	8.12%	59.73
Indiabulls Land Holdings Limited	0.09%	297.03	(0.10%)	(0.41)	0.00%	-	(0.06%)	(0.41)
Nilgiri Land Development Limited	0.07%	260.92	(1.91%)	(8.23)	0.00%	-	(1.12%)	(8.23)
Indiabulls Commercial Estate Limited	0.12%	432.94	(1.87%)	(8.06)	0.00%	-	(1.10%)	(8.06)
Indiabulls Engineering Limited	0.11%	383.43	(0.79%)	(3.38)	0.00%	-	(0.46%)	(3.38)
Indiabulls Infrastructure Projects Limited	0.03%	105.21	(0.10%)	(0.42)	0.00%	-	(0.06%)	(0.42)
Nilgiri Lands Limited	0.13%	444.00	(1.31%)	(5.65)	0.00%	-	(0.77%)	(5.65)
Nilgiri Land Holdings Limited	0.28%	972.72	(1.73%)	(7.44)	0.00%	-	(1.01%)	(7.44)
Nilgiri Infrastructure Limited	0.08%	265.89	(0.04%)	(0.17)	0.00%	-	(0.02%)	(0.17)
Indiabulls Commercial Properties Limited	0.07%	230.78	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Airmid Developers Limited	7.87%	27,498.25	1.29%	5.55	0.00%	-	0.75%	5.55
Citra Properties Limited	(0.19%)	(647.25)	(481.36%)	(2,071.05)	10.88%	33.25	(276.96%)	(2,037.81)
Juventus Estate Limited	11.13%	38,868.06	327.78%	1,410.29	(0.39%)	(1.20)	191.51%	1,409.09
IB Holdings Limited	0.00%	1.35	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Platane Infrastructure Limited	(0.00%)	(0.05)	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Ashkit Constructions Limited	0.00%	3.41	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Paidia Infrastructure Limited	0.00%	3.78	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Lorita Developers Limited	0.01%	35.86	0.21%	0.89	0.00%	-	0.12%	0.89
Serida Infrastructure Limited	(0.00%)	(0.03)	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Vonnie Real Estate Limited	0.00%	0.20	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Ib Assets Limited	0.00%	0.36	(0.08%)	(0.33)	0.00%	-	(0.05%)	(0.33)
Fama Builders and Developers Limited	0.09%	304.27	(0.37%)	(1.58)	0.00%	-	(0.21%)	(1.58)
Fama Construction Limited	0.24%	846.51	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Fama Estate Limited	0.39%	1,360.21	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Fama Land Development Limited	0.16%	555.17	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Lavone Builders and Developers Limited	0.20%	713.55	(1.80%)	(7.75)	0.00%	-	(1.05%)	(7.75)
Juventus Infrastructure Limited	0.10%	343.65	(0.15%)	(0.64)	0.00%	-	(0.09%)	(0.64)
Juventus Properties Limited	0.09%	322.32	(1.54%)	(6.64)	0.00%	-	(0.90%)	(6.64)
Kailash Buildwell Limited	0.08%	290.71	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Karakoram Buildwell Limited	0.17%	598.04	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Kalsha Developers Limited	0.00%	11.45	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Amadis Land Development Limited	0.11%	400.19	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Karakoram Properties Limited	0.00%	16.73	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Aedos Real Estate Company Limited	0.07%	228.01	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Lucina Builders and Developers Limited	0.09%	323.82	(1.29%)	(5.54)	0.00%	-	(0.75%)	(5.54)
Lucina Buildwell Limited	0.49%	1,702.76	(0.99%)	(4.27)	0.00%	-	(0.58%)	(4.27)
Lucina Estate Limited	0.17%	589.13	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Lucina Properties Limited	0.08%	287.18	(0.39%)	(1.66)	0.00%	-	(0.23%)	(1.66)
Nilgiri Buildwell Limited	0.01%	37.84	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Selene Buildwell Limited	0.07%	243.85	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Selene Properties Limited	0.03%	120.53	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Galium Builders and Developers Limited	0.02%	81.15	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Triton Buildwell Limited	0.23%	788.46	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Triton Infrastructure Limited	0.16%	556.15	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Tefia Land Development Limited	0.02%	56.80	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Varali Developers Limited	0.34%	1,188.49	(0.14%)	(0.59)	0.00%	-	(0.08%)	(0.59)
Vindhyachal Developers Limited	0.17%	594.89	(1.98%)	(8.52)	0.00%	-	(1.16%)	(8.52)
Vindhyachal Buildwell Limited	1.25%	4,383.55	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Zeus Builders and Developers Limited	0.02%	86.86	0.03%	0.13	0.00%	-	0.02%	0.13
Zeus Properties Limited	0.27%	932.24	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Albasta Constructions Limited	0.00%	-	(0.15%)	(0.65)	0.00%	-	(0.09%)	(0.65)
Angles Constructions Limited	0.00%	0.07	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Albasta Developers Limited	0.00%	2.03	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Albasta Infrastructure Limited	(0.00%)	(0.07)	(75.70%)	(325.68)	0.00%	-	(44.26%)	(325.68)
Albasta Real Estate Limited	0.06%	196.32	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)

Note - 61 (Cont'd)

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)
Albasta Properties Limited	0.59%	2,074.65	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Albina Properties Limited	0.80%	2,801.38	(0.04%)	(0.18)	0.00%	-	(0.02%)	(0.18)
Angina Properties Limited	0.00%	-	9.81%	42.20	0.00%	-	5.74%	42.20
Apesh Properties Limited	0.06%	223.87	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Apesh Real Estate Limited	0.00%	0.07	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Athena Land Development Limited	0.20%	692.12	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Athena Builders and Developers Limited	0.03%	115.73	6.75%	29.05	0.00%	-	3.95%	29.05
Athena Buildwell Limited	0.00%	3.60	(2.40%)	(10.32)	0.00%	-	(1.40%)	(10.32)
Aurora Builders and Developers Limited	(0.00%)	(0.06)	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Citra Developers Limited	0.00%	2.01	(0.09%)	(0.40)	0.00%	-	(0.06%)	(0.40)
Ceres Estate Limited	6.41%	22,382.81	(37.29%)	(160.46)	0.00%	-	(21.81%)	(160.46)
Ceres Infrastructure Limited	0.10%	355.88	(0.04%)	(0.18)	0.00%	-	(0.03%)	(0.18)
Ceres Land Development Limited	0.14%	486.13	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Ceres Properties Limited	0.12%	435.57	(0.22%)	(0.97)	0.00%	-	(0.13%)	(0.97)
Devona Developers Limited	0.32%	1,125.90	(0.24%)	(1.03)	0.00%	-	(0.14%)	(1.03)
Diana Infrastructure Limited	0.43%	1,513.88	(1.12%)	(4.83)	0.00%	-	(0.66%)	(4.83)
Diana Land Development Limited	0.02%	62.93	(0.04%)	(0.17)	0.00%	-	(0.02%)	(0.17)
Elena Constructions Limited	0.00%	11.52	0.00%	0.01	0.00%	-	0.00%	0.01
Elena Properties Limited	0.00%	3.23	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Fornax Constructions Limited	0.20%	710.94	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Fama Properties Limited	0.06%	209.11	(0.29%)	(1.25)	0.00%	-	(0.17%)	(1.25)
Flora Land Development Limited	0.31%	1,074.37	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Fornax Real Estate Limited	(0.00%)	(11.65)	(5.17%)	(22.26)	0.00%	-	(3.03%)	(22.26)
Hermes Builders and Developers Limited	0.00%	0.01	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Hermes Properties Limited	0.03%	110.17	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Indiabulls Buildcon Limited	(0.00%)	(0.26)	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Makala Infrastructure Limited	2.07%	7,237.59	(3.98%)	(17.13)	0.00%	-	(2.33%)	(17.13)
Indiabulls Communication Infrastructure Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Indiabulls Industrial Infrastructure Limited	(1.11%)	(3,889.38)	(181.77%)	(782.05)	7.15%	21.86	(103.32%)	(760.19)
Indiabulls Constructions Limited	(24.42%)	(85,303.92)	(183.21%)	(788.27)	14.55%	44.45	(101.09%)	(743.82)
Mabon Constructions Limited	0.00%	0.26	(0.06%)	(0.26)	0.00%	-	(0.04%)	(0.26)
Mabon Properties Limited	0.04%	153.06	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Mabon Infrastructure Limited	0.00%	0.05	(50.59%)	(217.68)	0.00%	-	(29.59%)	(217.68)
Manjola Infrastructure Limited	0.00%	0.42	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Indiabulls Housing Developers Limited	(0.00%)	(0.06)	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Indiabulls Housing and Land Development Limited	(0.00%)	(0.06)	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Indiabulls Hotel Properties Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Lakisha Infrastructure Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Indiabulls Software Parks Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ivonne Infrastructure Limited	0.00%	0.69	(0.78%)	(3.38)	0.00%	-	(0.46%)	(3.38)
Indiabulls Lands Limited	(0.00%)	(0.05)	(0.06%)	(0.26)	0.00%	-	(0.04%)	(0.26)
Indiabulls Multiplex Services Limited	(0.00%)	(0.06)	(0.07%)	(0.32)	0.00%	-	(0.04%)	(0.32)
Indiabulls Natural Resources Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Indiabulls Projects Limited	(0.00%)	(11.45)	(4.15%)	(17.84)	0.00%	-	(2.42%)	(17.84)
Indiabulls Realty Company Limited	(0.00%)	(10.85)	(7.66%)	(32.94)	0.00%	-	(4.48%)	(32.94)
Manjola Real Estate Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Juventus Constructions Limited	0.08%	279.53	(0.05%)	(0.20)	0.00%	-	(0.03%)	(0.20)
Juventus Land Development Limited	0.09%	329.11	(0.02%)	(0.10)	0.00%	-	(0.01%)	(0.10)
Lenus Constructions Limited	(0.00%)	(0.20)	(0.07%)	(0.30)	0.00%	-	(0.04%)	(0.30)
Lucina Constructions Limited	0.00%	-	6.64%	28.59	0.00%	-	3.89%	28.59
Lenus Infrastructure Limited	(0.00%)	(0.04)	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Lenus Properties Limited	(0.00%)	(0.01)	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Mariana Constructions Limited	(0.00%)	(0.03)	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Mariana Developers Limited	1.45%	5,055.23	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Milkyway Buildcon Limited	0.00%	15.96	(0.03%)	(0.15)	0.00%	-	(0.02%)	(0.15)
Mariana Properties Limited	(0.00%)	(3.09)	(1.23%)	(5.31)	0.00%	-	(0.72%)	(5.31)
Mariana Real Estate Limited	(0.00%)	(0.03)	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Nilgiri Infraestate Limited	0.00%	3.49	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Nilgiri Infrastructure Projects Limited	0.88%	3,064.96	(0.13%)	(0.54)	0.00%	-	(0.07%)	(0.54)
Nilgiri Resources Limited	0.00%	-	(0.12%)	(0.50)	0.00%	-	(0.07%)	(0.50)
Selene Builders and Developers Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sentia Constructions Limited	0.14%	477.28	(0.04%)	(0.18)	0.00%	-	(0.02%)	(0.18)
Sentia Developers Limited	(0.00%)	(0.07)	(227.16%)	(977.37)	0.00%	-	(132.84%)	(977.37)
Sepset Developers Limited	(0.00%)	(0.04)	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Sentia Infrastructure Limited	0.14%	479.12	(42.82%)	(184.22)	(0.00%)	(0.00)	(25.04%)	(184.22)
Selene Infrastructure Limited	(0.05%)	(184.67)	(0.71%)	(3.07)	0.00%	-	(0.42%)	(3.07)
Selene Land Development Limited	0.17%	606.49	(1.42%)	(6.13)	0.00%	-	(0.83%)	(6.13)
Sentia Real Estate Limited	0.00%	6.97	6.25%	26.89	0.00%	-	3.65%	26.89
Sophia Constructions Limited	0.09%	313.70	(16.43%)	(70.68)	0.00%	-	(9.61%)	(70.68)
Sophia Real Estate Limited	3.46%	12,100.00	4.39%	18.91	0.00%	-	2.57%	18.91
Triton Estate Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Triton Properties Limited	0.11%	376.65	(0.20%)	(0.84)	0.00%	-	(0.11%)	(0.84)
Varali Constructions Limited	0.00%	0.05	(0.10%)	(0.43)	0.00%	-	(0.06%)	(0.43)

Note - 61 (Cont'd)

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)
Varali Infrastructure Limited	0.56%	1,967.55	(3.34%)	(14.38)	0.00%	-	(1.95%)	(14.38)
Varali Real Estate Limited	(0.00%)	(0.05)	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Vindhyachal Land Development Limited	0.72%	2,514.67	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Zeus Estate Limited	(0.00%)	(0.05)	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Hecate Power and Land Development Limited	0.00%	-	19.43%	83.59	0.00%	-	11.36%	83.59
Apesh Constructions Limited	(0.00%)	(17.35)	(55.69%)	(239.60)	0.00%	-	(32.57%)	(239.60)
Linnet Infrastructure Limited	0.00%	4.11	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Linnet Constructions Limited	0.00%	3.47	(0.07%)	(0.31)	0.00%	-	(0.04%)	(0.31)
Linnet Developers Limited	0.00%	3.35	(0.09%)	(0.38)	0.00%	-	(0.05%)	(0.38)
Linnet Real Estate Limited	0.16%	547.70	(83.66%)	(359.95)	0.00%	-	(48.92%)	(359.95)
Linnet Properties Limited	0.39%	1,376.63	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Edesia Constructions Limited	0.00%	4.31	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Edesia Developers Limited	0.00%	4.24	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Edesia Infrastructure Limited	0.00%	4.15	(0.06%)	(0.24)	0.00%	-	(0.03%)	(0.24)
Indiabulls Commercial Assets Limited	0.00%	-	0.35%	1.50	0.00%	-	0.20%	1.50
Indiabulls Housing and Constructions Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Indiabulls Real Estate Developers Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Indiabulls Real Estate Builders Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Parmida Constructions Limited	0.00%	-	(0.18%)	(0.79)	0.00%	-	(0.11%)	(0.79)
Parmida Developers Limited	(0.00%)	(0.01)	1.55%	6.66	0.00%	-	0.90%	6.66
Lorena Builders Limited	0.00%	0.05	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Parmida Properties Limited	0.45%	1,574.29	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Nerissa Infrastructure Limited	0.24%	847.51	(3.84%)	(16.54)	0.00%	-	(2.25%)	(16.54)
Devona Properties Limited	0.13%	457.56	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Lorena Constructions Limited	0.23%	809.56	(0.06%)	(0.26)	0.00%	-	(0.04%)	(0.26)
Lorena Developers Limited	0.19%	663.35	(0.04%)	(0.17)	0.00%	-	(0.02%)	(0.17)
Lorena Infrastructure Limited	0.18%	643.05	(0.06%)	(0.24)	0.00%	-	(0.03%)	(0.24)
Lorena Real Estate Limited	0.23%	805.72	(0.06%)	(0.26)	0.00%	-	(0.04%)	(0.26)
Majesta Builders Limited	0.23%	819.71	(0.04%)	(0.16)	0.00%	-	(0.02%)	(0.16)
Majesta Constructions Limited	0.24%	827.69	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Majesta Developers Limited	0.08%	262.25	(0.12%)	(0.51)	0.00%	-	(0.07%)	(0.51)
Majesta Infrastructure Limited	0.24%	822.21	(0.06%)	(0.26)	0.00%	-	(0.04%)	(0.26)
Majesta Properties Limited	0.19%	665.77	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Nerissa Constructions Limited	0.22%	755.15	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Nerissa Developers Limited	0.05%	187.62	(0.18%)	(0.77)	0.00%	-	(0.10%)	(0.77)
Nerissa Properties Limited	0.03%	99.11	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Nerissa Real Estate Limited	0.12%	403.59	(0.08%)	(0.34)	0.00%	-	(0.05%)	(0.34)
Tapir Land Development Limited	0.00%	-	18.21%	78.37	0.00%	-	10.65%	78.37
Indiabulls Commercial Properties Management Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Cobitis Real Estate Limited	0.00%	4.14	(0.03%)	(0.12)	0.00%	-	(0.02%)	(0.12)
Loon Infrastructure Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Serpentes Constructions Limited	0.00%	0.63	(0.04%)	(0.17)	0.00%	-	(0.02%)	(0.17)
Tapir Constructions Limited	(1.22%)	(4,274.57)	(528.53%)	(2,274.00)	0.12%	0.35	(309.02%)	(2,273.65)
Cobitis Buildwell Limited	0.00%	-	(1.04%)	(4.46)	0.00%	-	(0.61%)	(4.46)
Catherine Builders & Developers Limited	(0.00%)	(3.16)	(0.02%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Kenneth Builders & Developers Limited	0.87%	3,046.70	0.30%	1.29	0.00%	-	0.17%	1.29
Bridget Builders and Developers Limited	0.00%	9.21	(0.03%)	(0.13)	0.00%	-	(0.02%)	(0.13)
Zeus Buildwell Limited	0.00%	0.04	(0.11%)	(0.48)	0.00%	-	(0.06%)	(0.48)
Airmid Real Estate Limited	(0.54%)	(1,894.06)	(40.75%)	(175.33)	1.94%	5.92	(23.02%)	(169.41)
Sepset Real Estate Limited	4.04%	14,114.86	7.38%	31.75	0.05%	0.15	4.34%	31.90
Foreign subsidiaries								-
Foundvest Limited	0.00%	0.87	(5.23%)	(22.52)	146.25%	446.82	57.67%	424.30
Arianca Limited	0.00%	0.86	(0.67%)	(2.88)	3.44%	10.51	1.04%	7.63
Indiabulls Property Management Trustee Pte Ltd	0.08%	275.16	(177.44%)	(763.42)	(125.84%)	(384.47)	(156.01%)	(1,147.89)
Shoxell Holdings Limited	0.00%	4.21	(1.66%)	(7.15)	(5.95%)	(18.18)	(3.44%)	(25.34)
Grapene Limited	0.00%	1.19	(0.35%)	(1.50)	0.12%	0.38	(0.15%)	(1.12)
Dev Property Development Limited	0.00%	3.89	(3.49%)	(15.02)	0.04%	0.13	(2.02%)	(14.89)
Ariston Investment Limited	0.00%	6.51	(2.06%)	(8.85)	(2.81%)	(8.60)	(2.37%)	(17.45)
Ariston Investments Sub C Limited	0.16%	569.04	(2.95%)	(12.70)	90.80%	277.41	35.98%	264.71
Grand Limited	(0.01%)	(21.51)	(0.59%)	(2.56)	(0.21%)	(0.65)	(0.44%)	(3.20)
M Holdco I Limited	7.98%	27,885.83	(1.60%)	(6.89)	13.72%	41.92	4.76%	35.03
M Holdco II Limited	(0.00%)	(1.80)	75.40%	324.39	6.83%	20.86	46.92%	345.25
M Holdco III Limited	(0.00%)	(2.32)	(1.31%)	(5.66)	(1.87%)	(5.70)	(1.54%)	(11.36)
Navilith Holdings Limited	2.46%	8,601.86	52.89%	227.54	(19.01%)	(58.09)	23.03%	169.45
Indiabulls Properties Investment Trust	(0.00%)	(13.64)	(0.00%)	(0.00)	(347.49%)	(1,061.64)	(144.29%)	(1,061.64)
Brenformexa Limited	16.12%	56,301.38	1207.10%	5,193.56	(554.23%)	(1,693.29)	475.73%	3,500.27
Non-controlling interest in subsidiary	0.33%	1,146.34	(9.67%)	(41.60)	0.00%	-	(5.65%)	(41.60)
Total	100.00%	349,370.98	100.00%	430.25	100.00%	305.52	100.00%	735.77

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****Note – 62**

The pandemic of Corona Virus (COVID-19) has caused unprecedented havoc to the economic activity all around the Globe. The complete lock down announced on 24 March 2020 by the Government of India brought the wheels of economic activity to a grinding halt. The operations are slowly and gradually resuming and expected to reach pre – COVID 19 level in due course of time. The Group is continuously and closely observing the unfolding situation and will continue to do so. The Group has considered the possible impact of COVID-19 in preparing the financial results including the recoverable value of its assets and its liquidity position based on internal and external information upto the date of approval of these financial statements.

Note 63

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

For and on behalf of the Board of Directors**Prakash Agarwal**

Partner

Membership No. 084964

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Mehul Johnson

Joint Managing Director

[DIN: 00016075]

Place: New Delhi**Date: 23 April 2021****Place: New Delhi****Date: 23 April 2021****Place: Mumbai****Date: 23 April 2021****Anil Mittal**

Chief Financial Officer

Place: Gurugram**Date: 23 April 2021****Ravi Telkar**

Company Secretary

Place: Mumbai**Date: 23 April 2021**

Independent Auditor's Report

To the Members of Indiabulls Real Estate Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Indiabulls Real Estate Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group and its joint ventures as at 31 March 2020, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Emphasis of Matter

4. We draw attention to following notes to the consolidated financial statements for the year ended 31 March 2020 –
 - a. Note 59 regarding the reclassification of the capital reserve arising on consolidation to retained earnings (i.e. within other equity) as at 1 April 2018 with corresponding impact as at 31 March 2019, as per the principle of Ind AS 8.
 - b. Note 65, which describes the uncertainties due to the outbreak of 'Covid-2019' pandemic and the management's evaluation of the same on the consolidated financial statements of the Group as at the balance sheet date. In view of these uncertainties, the impact on the Group's financial performance is significantly dependent on future developments.

This above matter (b) has also been reported as emphasis of matter in the audit reports issued by us and other firms of chartered accountants on the standalone financial statements of 5 subsidiary companies for the year ended 31 March 2020.

Our opinion is not modified in respect of these matters.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Sale of stake in group entities and sale of commercial asset on slump sale basis The Group's policies on the accounting for sale of investments/assets is set out in Note 4.3 to the consolidated financial statements. During the year, the Group has entered into following transactions (as explained in Note 50): • The Group has executed definitive agreements to divest entire stake in one of its wholly owned subsidiary (which indirectly owns real estate property in London) for an aggregate consideration of ` 183,693.00 lakhs (GBP 200.00 million) and the Group has recognized gain on sale amounting to ` 2,347.33 lakhs as presented under Note 31 in the consolidated financial statements; • The Group has entered into definitive agreements for divestment of remaining stake in all of its existing joint venture companies	Our procedures in relation to the accounting for sale of stake in group entities included, but not limited to the following: • Understood the contract terms of multiple agreements relevant to the proposed accounting treatment of the transactions under such arrangements; • Tested the design and operating effectiveness of management's control over ensuring completeness of conditions precedent to the transactions before recording the transactions; • Tested the completeness and accuracy of the data used in the computation of profit on sale of investments/assets, gain on fair valuation of remaining stake; and

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Key audit matter	How our audit addressed the key audit matter
(owning rental assets in Mumbai and Gurugram) for an aggregate consideration of ` 271,700.00 lakhs and the Group has recognized gain on sale amounting to ` 78,054.65 lakhs as presented under Note 31 in the consolidated financial statements; and • The Group has executed definitive agreement to divest its entire stake in its another wholly owned subsidiary (owning commercial asset at Gurugram) for an aggregate consideration of ` 13,564.93 lakhs. As part of the said transaction, the Group has divested partial stake in the said subsidiary, which has resulted in loss of control. Accordingly, the said subsidiary has been de-consolidated resulting in loss amounting to ` 223.69 lakhs as presented under Note 31 in the consolidated financial statements. Further, the remaining investment has also been classified as 'Investments held for sale' and presented under Note 20. • One of the wholly owned subsidiary of the Group has entered into definitive agreement and has sold one of the commercial asset/development at Mumbai for an aggregate consideration of ` 67,500.00 lakhs. Accordingly, the Group has recognized net gain of ` 16,212.49 lakhs as presented under Note 31 in the consolidated financial statements by recognizing revenue and charging off inventory in respect of said commercial asset/development. All these transactions required significant audit focus due to complex contractual terms included in multiple agreements that involved significant management judgement and due to the material impact on the accompanying consolidated financial statement. The matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	• Ensured appropriate disclosures in the consolidated financial statements with respect to sale of stake in group entities.
Accounting for demerger scheme Refer note 58 to the consolidated financial statements for the detailed impact of the Scheme. In the previous year, the Holding Company had executed a definitive arrangement with a third party investor to divest its 100% stake in its wholly owned subsidiary, Indiabulls	Our audit procedures to assess the appropriateness of the accounting treatment of the Scheme and overall transaction, included, but were not limited to the following: • Understood the contract terms of definitive

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Key audit matter	How our audit addressed the key audit matter
Infrastructure Limited ('IIL') in tranches and as part of said arrangement, the Holding Company had divested partial stake in IIL in the previous year through a combination of sale and buy back transactions, and transferred the control over the board of directors of IIL to the third party, resulting into loss of control, while remaining investment amounting to ` 34,706.33 lakhs was classified as 'Investments held for sale' as at 31 March 2019. Further, pursuant to the definitive arrangement, the Holding Company had also filed a composite scheme of arrangement ('the Scheme') before the National Company Law Tribunal ('NCLT'), whereby a step-down subsidiary of IIL was to be demerged for the 'demerged undertaking' as identified in such scheme to be merged with IIL while 'residual undertaking' was to be merged into the Holding Company. In the current year, as described in note 58 to the consolidated financial statements, NCLT approved the Scheme on 03 March 2020 which has been filed with Registrar of Companies on 19 March 2020. Accordingly, the Holding Company has recognised the assets acquired under the scheme, i.e., redeemable preference shares and income tax assets amounting to ` 45,000.00 lakhs and ` 1,520.00 lakhs, respectively, in the accompanying consolidated financial statements, which have been recorded at fair value. The Holding Company has also adjusted/revalued remaining 'Investments held for sale' transferrable to the third party at the transaction price which was subject to approval of the Scheme, and recognized a net gain on settlement of the aforesaid transactions aggregating to ` 21,406.90 lakhs in the accompanying consolidated financial statements as disclosed under note 31. The fair valuation of the redeemable preference shares acquired under the scheme was performed by a management appointed valuation expert using 'Discounted Cash Flow Model' of the investee company. Such valuation involved significant management judgement and assumptions such as growth rates and other factors affecting cash flow projections and discount rates. The aforementioned transactions and valuation under the said arrangement required significant	arrangement with the third party for relevant accounting treatment of the transactions under such arrangement; • Obtained and read the Scheme and final order passed by NCLT to determine the effective date of the Scheme and evaluated appropriateness of the accounting treatment prescribed by the scheme in accordance the requirements of the accounting standards; • Tested the design and operating effectiveness of management's control over ensuring completeness of conditions precedent to the transactions before recording the transactions in accordance with the Scheme; • Involved an auditor valuation specialist to evaluate appropriateness of the valuation methodology and valuation assumptions including discount rates adopted by the management expert in determining fair valuation of the said redeemable preference shares. Further, assessed the objectivity, independence and competency of the management expert involved; • Tested the underlying cash flow projections of the investee company used in aforesaid fair valuation by evaluating the appropriateness of assumptions including growth rates basis our understanding of the business of such company and macro-economic factors including the assessment of the impact of Covid-2019; • Tested the completeness and accuracy of the data used in the computation of net gain on the settlement of overall transaction; and • Ensured appropriate disclosures in the consolidated financial statements with respect to the Scheme and overall transaction.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Key audit matter	How our audit addressed the key audit matter
audit focus due to complex contractual terms and the material impact on the accompanying consolidated financial statements. The matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	
Assessing the carrying value of inventory The accounting policies for Inventories are set out in Note 4.4 to the consolidated financial statements. Inventories of the Group comprise of real estate properties (including land) are disclosed under Note 16. Impairment assessment of inventory is considered as a significant risk as there is a risk that recoverability of the carrying value of the inventory could not be established, and potential impairment charge might be required to be recorded in the consolidated financial statements. Management's assessment of the recoverable amounts is a judgmental process which requires the estimation of the net realisable value, which takes into account the valuations of the properties held and cash flow projections of real estate properties under development. On account of the above assessment, an impairment loss of ` 13,569.67 lakhs have been recognized in the current year. Due to their materiality in the context of the Group's financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	Our procedures in relation to the valuation of inventory held by the group included, but not limited to the followings: • Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Net Realisable Value (NRV); • Enquired of the management and inspected the internal controls related to inventory valuation along with the process followed to recover/adjust these and assessed whether impairment is required; • All material properties under development as at 31 March 2020 were discussed on case to case basis with the management for their plan of recovery/adjustment; • For real estate properties under development, obtained and assessed the management evaluation of the NRV. We also assessed the management's valuation methodology applied in determining the recoverable amount and tested the underlying assumptions used by the management in arriving at those projections; • We challenged the management on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; • Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists; • For land parcels, obtained and verified the valuation of land parcels as per the government prescribed circle rates, wherever necessary; • Tested the arithmetical accuracy of the cash

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Key audit matter	How our audit addressed the key audit matter
	flow projections; and We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.
Revenue recognition The Group's policies on revenue recognition is set out in Note 4.3 to the consolidated financial statements. As per the principles of Ind AS 115 "Revenue from Contracts with Customers", revenue from sale of residential/commercial properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession of properties have been issued to the customers. Further, management considers that credit risks to have been significantly eliminated when substantial sales consideration is received from the customers. In the current year, there have been cancellations of multiple units in one of the Group's projects, which has resulted in reversal of revenue previously recognized of ` 87,791.17 lakhs as disclosed in Note 57 to the accompanying consolidated financial statements. The amount of revenue and cost thereon on contracts with customers forms a substantial part of the consolidated statement of profit and loss and management judgement is also involved in the interpretation of these conditions. The above transaction required audit focus due to the significant impact of the same on the accompanying consolidated financial statement of the Group. The matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	Our audit procedures related to the revenue recognition included, but not limited to the following: - Evaluated the appropriateness of the Group's revenue recognition policies with respect to the principles of Ind AS 115; - Enquiring from the management and inspecting the internal controls related to revenue recognition for ensuring the completeness of the customer sales, issue of possession letters and the recording of customer receipts; - We have performed the following procedures for revenue recognition: a. Verification of the possession letters issued on sample basis along with the proof of deliveries to ensure completeness; b. Verification of the collection from customers for the units sold from the statement of accounts on a sample basis to ensure receipt of substantial sales consideration; and c. Performing cut-off procedures and other analytical procedures like project wise variance analysis and margin analysis to find any anomalies. - We have performed the following procedures in respect of cancellations: a. Verified cancellation request from the customer or the termination notice sent due to reasons such as non-execution and registration of the agreements for sale, non-payment of registration charges, stamp duty maintenance deposits and other dues; b. Verified the cancellation terms agreed between the group company owning the project and customers; c. Evaluated the process related to specific approvals in respect of such cancellations and appropriateness of the accounting treatment of such reversals; and d. Traced refund of money given to customers/ lenders (in case of property pledged with lender) from the bank

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Key audit matter	How our audit addressed the key audit matter
	statement; Ensured that the disclosure requirements of Ind AS 115 have been complied with.

The following key audit matter to the audit opinion on the financial statements of Varali Infrastructure Limited, Mabon Infrastructure Limited and Sentia Developers Limited, subsidiaries of the Holding Company has been reported by an independent firm of Chartered Accountants in response to the group instructions reproduced by us as under:

Key audit matter	How our audit addressed the key audit matter
Valuation of investments held by subsidiary entities in equity instruments The Group's policies on valuation of Investments is set out in Note 4.12 to the consolidated financial statements. At the balance sheet date 31 March 2020, the Group held ` 3,176.14 lakhs of investments in equity instruments of third parties which are carried at fair value through profit and loss ('FVTPL') in the consolidated financial statements. Any changes in estimates, assumptions and judgements involved may result in material changes in the valuation of investment and hence it required significant audit attention. Any change in the fair value of the abovementioned investments will result in a change in the profit or loss in consolidated financial statements. The management's valuation is dependent upon the market conditions carried out by management's valuer, which can be difficult to predict and be influenced by economic and other factors. Any errors or changes in the management/management's valuer judgement or assumptions can impact the assessment of the carrying values of the investment. Therefore, it has been considered as a key audit matter.	Our procedures in relation to the valuation of investments held by the Group included, but not limited to the following: - Understood the nature of transaction i.e. understanding the approach used for valuation and assessing the proposed accounting treatment in relation to the accounting policies and relevant Ind AS; - We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing. - Enquired of the management and inspected the internal controls related to completeness of the list of investments along with the process followed to recover/adjust these; - We challenged the managements on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; - Evaluating the management's independent professional valuer's competence, capabilities and objectivity; - Assessing the valuation methodology used by the independent professional valuer to estimate the fair value of the investments; - Testing the mathematical accuracy of the cash flows projection; and - Ensured that the disclosure requirements of accounting standards have been complied with.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

The following key audit matter to the audit opinion on the financial statements of Sylvanus Properties Limited and Juventus Estate Limited, subsidiaries of the Holding Company has been reported by an independent firm of Chartered Accountants in response to the group instructions reproduced by us as under:

Assessing the carrying value of certain outside group advances The Group's policies on the impairment assessment of the advances is set out in Note 4.13 to the consolidated financial statements. During the year, two of the wholly owned subsidiaries of the Group has advanced an interest-bearing sum of ` 105,141.00 lakhs outside the group of which ` 89,755.26 lakhs is outstanding as at 31 March 2020 (inclusive of interest on such loans amounting to ` 5,847.26 lakhs) as presented under Note 11B. Impairment assessment of these advances is considered as a significant risk as there is a risk that recoverability of these advances could not be established, and any potential impairment charge might be required. Management's assessment of the recoverability of these advances is a judgmental process which takes into account the fair valuation and an assessment of the financial statements of the entities to which these amounts have been advanced. Due to the materiality of these advances in the context of the Group's financial statements as a whole and significant degree of judgement and subjectivity involved in management's assessment of recoverability, this has been considered to be a key audit matter.	Our procedures in relation to assessment of impairment for said interest-bearing advances included, but not limited to: • Obtained an understanding of the management process for identification of possible impairment indicators and processes followed by the management for assessing the recoverability of these advances; • Enquired of the management and inspected the internal controls related to process followed to recover these and assess whether impairment is required; • We made specific instructions and enquiries with the auditors of the subsidiaries from which these amounts have been advanced with respect to their assessment of the recoverability of these advances. Our instructions and enquiries of the auditors of these subsidiaries included the following: a. Inspection of underlying supporting documents and agreements entered between the parties for the advances made during the year; b. Assessment of breach in terms of these advances as per agreement, if any; c. Obtaining direct independent confirmations for the said advances outstanding as at 31 March 2020; d. Discussion with the management with respect to their plan of recovery and review of recent communications related to the said outstanding advances as at 31 March 2020; and e. Checking of subsequent recoveries, if any. • We checked the appropriateness and adequacy of the disclosures made by the management for these interest bearing advances in accordance with Ind AS.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors/management of the companies included in the Group and its joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint ventures, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of ₹ 2,854,528.43 lakhs and net assets of ₹ 973,092.86 lakhs as at 31 March 2020, total revenues of ₹ 137,041.46 lakhs and net cash outflows amounting to ₹ 49,339.10 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Further, of these subsidiaries, certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditor, referred to in paragraph 16, on separate financial statements of the subsidiaries, we report that 1 subsidiary company covered under the Act paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the Holding Company, certain subsidiary companies and certain joint venture companies covered under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies and joint venture companies.
18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

- c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;
- e) the matter described in paragraph 4 (b) under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Group;
- f) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture companies covered under the Act, none of the directors of the Group companies and joint venture companies covered under the Act, are disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- g) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:
 - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures as detailed in Note 46A(iii), Note 46A(iv), Note 46A(v) and Note 46A(vi) to the consolidated financial statements.;
 - ii. the Holding Company and its joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and its joint venture companies during the year ended 31 March 2020; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 20502103AAAABB1521

Place: New Delhi
Date: 14 May 2020

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Annexure 1

List of subsidiaries included in the consolidated financial statements

Athena Land Development Limited, Athena Builders and Developers Limited, Athena Buildwell Limited, Athena Infrastructure Limited, Ceres Constructions Limited, Ceres Estate Limited, Ceres Infrastructure Limited, Ceres Land Development Limited, Ceres Properties Limited, Diana Infrastructure Limited, Diana Land Development Limited, Fama Infrastructure Limited, Fama Properties Limited, Flora Land Development Limited, Hermes Builders And Developers Limited, Hermes Properties Limited, Indiabulls Buildcon Limited, Makala Infrastructure Limited, Indiabulls Constructions Limited, Indiabulls Lands Limited, Indiabulls Hotel Properties Limited, Indiabulls Natural Resources Limited, Ivonne Infrastructure Limited, Indiabulls Estate Limited, Indiabulls Commercial Estate Limited, Indiabulls Engineering Limited, Indiabulls Land Holdings Limited, Indiabulls Infrastructure Projects Limited, Indiabulls Commercial Properties Limited, Lakisha Real Estate Limited (till 29 June 2019), Manjola Real Estate Limited, Manjola Infrastructure Limited, Indiabulls Infraestate Limited, Indiabulls Software Parks Limited, Indiabulls Infratech Limited, Juventus Constructions Limited, Juventus Estate Limited, Juventus Land Development Limited, Lucina Constructions Limited, Lucina Land Development Limited, Nilgiri Infraestate Limited, Nilgiri Infrastructure Development Limited, Nilgiri Infrastructure Projects Limited, Nilgiri Resources Limited, Noble Realtors Limited, Nilgiri Land Holdings Limited, Nilgiri Lands Limited, Nilgiri Land Development Limited, Nilgiri Infrastructure Limited, Selene Constructions Limited, Selene Infrastructure Limited, Selene Land Development Limited, Selene Builders And Developers Limited, Shivalik Properties Limited, Sylvanus Properties Limited, Triton Estate Limited, Triton Properties Limited, Vindhyachal Land Development Limited, Vindhyachal Infrastructure Limited, Zeus Buildwell Limited, Zeus Estate Limited, Hecate Power And Land Development Limited, Angina Properties Limited, Devona Properties Limited, Sentia Real Estate Limited, Sophia Real Estate Limited, Sophia Constructions Limited, Albina Real Estate Limited, Airmid Properties Limited, Albasta Properties Limited, Varali Real Estate Limited, Varali Constructions Limited, Aurora Builders And Developers Limited, Citra Properties Limited, Apesh Real Estate Limited, Apesh Properties Limited, Albina Properties Limited, Corus Real Estate Limited, Fornax Constructions Limited, Chloris Real Estate Limited, IB Holdings Limited, Elena Properties Limited, Elena Constructions Limited, Fornax Real Estate Limited, Indiabulls Multiplex Services Limited, Airmid Developers Limited, Sentia Developers Limited, Sentia Constructions Limited, Citra Developers Limited, Devona Developers Limited, Indiabulls Realty Company Limited, Indiabulls Projects Limited, Indiabulls Housing Developers Limited, Lakisha Infrastructure Limited, Lenus Properties Limited, Lenus Constructions Limited, Sentia Infrastructure Limited, Sepset Developers Limited, Devona Infrastructure Limited, Varali Infrastructure Limited, Mariana Constructions Limited, Mariana Developers Limited, Indiabulls Communication Infrastructure Limited, Indiabulls Housing And Land Development Limited, Mariana Real Estate Limited, Albasta Developers Limited, Albasta Constructions Limited, Albasta Infrastructure Limited, Albasta Real Estate Limited, Angles Constructions Limited, Lenus Infrastructure Limited, Mariana Infrastructure Limited (till 27 December 2019), Mariana Properties Limited, Serida Properties Limited, Mabon Constructions Limited, Mabon Properties Limited, Mabon Infrastructure Limited, Milky Way Buildcon Limited, Indiabulls Industrial Infrastructure Limited, Varali Properties Limited, Apesh Constructions Limited, IB Assets Limited, Fama Builders And Developers Limited, Juventus Infrastructure Limited, Kailash Buildwell Limited, Kaltha Developers Limited, Nilgiri Buildwell Limited, Serida Infrastructure Limited, Ashkit Constructions Limited, Vonnice Real Estate Limited, Fama Land Development Limited, Amadis Land Development Limited, Karakoram Buildwell Limited, Karakoram Properties Limited, Aedos Real Estate Company Limited, Lucina Estate Limited, Triton Infrastructure Limited, Vindhyachal Buildwell Limited, Zeus Builders And Developers Limited, Paidia Infrastructure Limited, Fama Estate Limited, Lucina Builders And Developers Limited, Lorita Developers Limited, Fama Construction Limited, Lavone Builders And

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

Developers Limited, Juventus Properties Limited, Lucina Buildwell Limited, Lucina Properties Limited, Selene Buildwell Limited, Selene Properties Limited, Tefia Land Development Limited, Vindhyaachal Developers Limited, Zeus Properties Limited, Varali Developers Limited, Platane Infrastructure Limited, Triton Buildwell Limited, Galium Builders And Developers Limited, Linnet Infrastructure Limited, Linnet Constructions Limited, Linnet Developers Limited, Linnet Real Estate Limited, Linnet Properties Limited, Edesia Constructions Limited, Edesia Developers Limited, Edesia Infrastructure Limited, Indiabulls Commercial Assets Limited, Indiabulls Housing and Constructions Limited, Indiabulls Real Estate Developers Limited, Indiabulls Real Estate Builders Limited, Lorena Developers Limited, Lorena Builders Limited, Lorena Infrastructure Limited, Lorena Constructions Limited, Lorena Real Estate Limited, Parmida Properties Limited, Parmida Developers Limited, Parmida Constructions Limited, Majesta Developers Limited, Majesta Infrastructure Limited, Majesta Builders Limited, Majesta Properties Limited, Majesta Constructions Limited, Nerissa Infrastructure Limited, Nerissa Real Estate Limited, Nerissa Developers Limited, Nerissa Properties Limited, Nerissa Constructions Limited, Tapir Land Development Limited, Indiabulls Commercial Properties Management Limited, Cobitis Real Estate Limited, Loon Infrastructure Limited, Tapir Constructions Limited, Serpentes Constructions Limited, Loon Land Development Limited (till 28 September 2019), Cobitis Buildwell Limited, Airmid Real Estate Limited, Sepset Real Estate Limited, Kenneth Builders & Developers Limited, Catherine Builders & Developers Limited, Bridget Builders and Developers Limited, Dev Property Development Limited, Foundvest Limited, Shoxell Holdings Limited, Brenformexa Limited, Century Limited (till 1 November 2019), Nesoi Limited (till 1 November 2019), Titan Limited (till 1 November 2019), Rhea Limited (till 1 November 2019), Eros Limited (till 1 November 2019), Grand Limited, Arianca Limited, Indiabulls Property Management Trustee Pte. Ltd., Ariston Investments Limited, Ariston Investments Sub C Limited, Grapene Limited, Indiabulls Properties Investment Trust, IPMT Limited (till 1 November 2019), M Holdco 1 Limited, M Holdco 2 Limited, M Holdco 3 Limited, Navilith Holdings Limited, Indiabulls Real Estate Limited – Employees Welfare Trust (incorporated on 19 Feb 2020).

List of joint ventures included in the consolidated financial statements

Indiabulls Properties Private Limited (till 25 September 2019), Indiabulls Real Estate Company Private Limited (till 25 September 2019), Opcore Services Limited (formerly Indiabulls Realty Developers Limited) (till 25 September 2019), One Qube Realtors Limited (formerly Ashkit Properties Limited) (till 25 September 2019), Yashita Buildcon Limited (till 25 September 2019), Concepts International India Private Limited (from 7 June 2019 till 25 September 2019) and Concepts International India LLP (till 6 June 2019).

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Indiabulls Real Estate Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and joint ventures as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its joint venture companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint venture companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the consolidated financial statements for the year ended 31 March 2020 - cont'd

necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company, its subsidiary companies and its joint venture companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to certain subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 1,392,626.14 lakhs and net assets of ₹ 24,895.19 lakhs as at 31 March 2020, total revenues of ₹ 51,920.94 lakhs and net cash inflows amounting to ₹ 119.66 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies and joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Sharma

Partner

Membership No.: 502103

UDIN: 20502103AAAABB1521

Place: New Delhi

Date: 14 May 2020

Indiabulls Real Estate Limited
Consolidated statement of profit and loss for the year ended 31 March 2020

	Note	For the year ended 31 March 2020 (₹ in lakhs)	For the year ended 31 March 2019 (₹ in lakhs)
Revenue			
Revenue from operations	31	327,078.42	494,388.89
Other income	32	16,985.14	9,190.87
Net gain on de-recognition of financial asset carried at amortised cost	70	-	18,713.45
		344,063.56	522,293.21
Expenses			
Cost of revenue	33		
Cost incurred during the year		133,804.83	202,619.70
Decrease in real estate properties		50,988.31	151,231.61
Employee benefits expense	34	11,381.77	13,848.42
Finance costs	35	48,116.19	46,431.69
Depreciation and amortization expense	36	3,076.20	1,744.56
Impairment losses on financial assets	37A	8,395.48	-
Other expenses	37B	42,444.23	22,438.91
		298,207.01	438,314.89
Profit before exceptional items, tax and share of (loss)/profit from joint ventures		45,856.55	83,978.32
Share of (loss)/profit from joint ventures		(158.14)	399.11
Profit before exceptional items and tax		45,698.41	84,377.43
Exceptional items - interest on income tax (refer note 55)		7,931.19	-
Profit before tax		37,767.22	84,377.43
Tax expense	38		
Current tax (including earlier years) (refer note 55)		5,032.72	412.08
Deferred tax charge		20,623.98	33,533.83
Net profit for the year		12,110.52	50,431.52
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement gain/(loss) on defined benefit plans		44.65	(258.94)
Income tax effect		(4.82)	33.14
Net loss on equity instruments through other comprehensive income		(3,258.25)	(5,913.12)
Share of other comprehensive income of joint ventures accounted for using the equity method		(46,122.81)	(411.20)
Items that will be reclassified to profit and loss			
Exchange differences on translation of foreign operations		7,573.75	1,217.91
(Loss)/gain on net investment hedge		(2,577.99)	2,577.99
Other comprehensive income		(44,345.47)	(2,754.22)
Total comprehensive income for the year		(32,234.95)	47,677.30
Net profit is attributable to			
Owners of the Holding Company		12,069.23	50,414.57
Non-controlling interests		41.29	16.95
		12,110.52	50,431.52
Other comprehensive income is attributable to			
Owners of the Holding Company		(44,346.22)	(2,757.28)
Non-controlling interests		0.75	3.06
		(44,345.47)	(2,754.22)
Total comprehensive income is attributable to			
Owners of the Holding Company		(32,276.99)	47,657.29
Non controlling interests		42.04	20.01
		(32,234.95)	47,677.30
Earnings per equity share	39		
Basic (₹)		2.67	11.04
Diluted (₹)		2.67	11.04
Summary of significant accounting policies	4		
The accompanying notes are integral part of the consolidated financial statements.			

This is the consolidated statement of profit and loss referred to in our report of even date.

For **Walker Chandio & Co LLP**

Chartered Accountants

For and on behalf of the **Board of Directors**

Neeraj Sharma
Partner
Membership No. 502103

Place: New Delhi
Date: 14 May 2020

Gurbans Singh
Joint Managing Director
[DIN: 06667127]
Place: New Delhi
Date: 14 May 2020

Anil Mittal
Chief Financial Officer
Place: Gurugram
Date: 14 May 2020

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]
Place: Mumbai
Date: 14 May 2020

Ravi Telkar
Company Secretary
Place: Mumbai
Date: 14 May 2020

	Note	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
I ASSETS			
Non-current assets			
Property, plant and equipment	5	3,478.39	5,130.61
Investment property	6	6,140.88	13,682.95
Right of use assets	7	3,835.11	-
Intangible assets	8	71.24	105.67
Investment accounted for using the equity method	9	-	240,331.84
Financial assets			
Investments	10A	13,029.84	16,324.39
Loans	11A	1,853.65	2,387.36
Other financial assets	12A	5,292.79	23,922.97
Deferred tax assets (net)	13	33,713.03	61,367.07
Non-current tax assets (net)	14	20,880.44	21,318.70
Other non-current assets	15A	6,918.24	17,367.32
		95,213.61	401,938.88
Current assets			
Inventories	16	705,635.33	984,886.43
Financial assets			
Investments	10B	157.25	159.12
Trade receivables	17	8,015.01	26,967.50
Cash and cash equivalents	18	4,817.43	60,291.41
Other bank balances	19	32,706.21	13,488.68
Loans	11B	91,974.41	53,897.60
Other financial assets	12B	156,728.77	933.22
Other current assets	15B	24,413.54	41,912.20
Assets held for sale	20	9,003.87	34,706.36
		1,033,451.82	1,217,242.52
		1,128,665.43	1,619,181.40
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	21A	9,093.28	9,013.61
Instruments entirely equity in nature	21C	42,500.00	104,828.00
Other equity	22	304,202.24	285,998.40
Equity attributable to the owners of the Holding Company		355,795.52	399,840.01
Non-controlling interests		1,104.74	1,062.70
Total equity		356,900.26	400,902.71
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	23A	98,911.96	340,530.96
Lease liabilities	24A	2,376.02	-
Trade payables	25A	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	11,764.29
Provisions	26A	1,572.19	1,591.29
Other non-current liabilities	27A	17,186.97	17,445.12
		120,047.14	371,331.66
Current liabilities			
Financial liabilities			
Borrowings	23B	-	101,500.00
Lease Liabilities	24B	1,414.06	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	25B(i)	3,716.42	4,632.57
Total outstanding dues of creditors other than micro enterprises and small enterprises	25B(ii)	41,011.79	85,128.30
Other financial liabilities	28	252,193.19	165,819.01
Redeemable preference shares	29	-	45,000.00
Other current liabilities	27B	344,151.59	442,242.54
Provisions	26B	7,239.44	155.41
Current tax liabilities (net)	30	1,991.54	2,469.20
		651,718.03	846,947.03
		1,128,665.43	1,619,181.40
Summary of significant accounting policies	4		

The accompanying notes are integral part of the consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors

Neeraj Sharma
Partner
Membership No. 502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]
Place: New Delhi
Date: 14 May 2020

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]
Place: Mumbai
Date: 14 May 2020

Anil Mittal
Chief Financial Officer
Place: Gurugram
Date: 14 May 2020

Ravi Telkar
Company Secretary
Place: Mumbai
Date: 14 May 2020

Indiabulls Real Estate Limited
Consolidated cash flow statement for the year ended 31 March 2020

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
A Cash flow from operating activities:		
Profit before tax and share of (loss)/profit from joint ventures and after exceptional items	37,925.36	83,978.32
<i>Adjustments for:</i>		
Interest expenses	47,939.75	45,966.08
Interest expense on taxation (including exceptional items)	7,931.19	165.37
Depreciation and amortization expenses	3,076.20	1,744.56
Other borrowing costs	176.44	300.24
Impairment of inventory	13,569.67	72,380.00
Provision for expected loss	2,480.93	1,796.72
Loss on sale of property, plants and equipment (net)	14.07	463.75
Interest income	(11,390.20)	(4,268.30)
Amortisation of derivative balance (difference between forward and spot element)	(154.67)	(664.43)
Excess provision/liabilities written back	(322.77)	(737.19)
(Reversal)/provision for employee benefits	(91.60)	481.76
Provision for claims and compensation	7,156.53	-
Share based payment expense	86.68	351.31
Share of loss/(profit) from joint ventures	158.14	(12.09)
Amounts written off	355.46	-
Loans and non-current investments written off	8,395.48	115.00
Impairment in other current assets	1,132.77	-
Interest income on amortized cost financial assets	(494.39)	(1,457.26)
Profit on sale of investments in mutual funds (net)	(733.77)	(1,624.48)
Profit on loss of control in subsidiaries and gain on fair valuation of remaining stake	-	(13,390.02)
Profit on sale of stake in joint ventures with underlying real estate business	(78,054.65)	-
Profit on sale of stake in subsidiaries with underlying real estate business	(4,182.42)	(1,414.67)
Net gain on settlement through merger scheme and fair value impact of assets held for sale	(21,406.90)	-
Profit on sale of investments in entity carrying out real estate business	(5,000.00)	(4,448.78)
Gain on amortized cost financial asset	-	(18,713.45)
Modification gain on de-recognition of lease contracts	(13.73)	-
Operating profit before working capital changes and other adjustments:	8,553.57	161,012.44
<i>Working capital changes and other adjustments:</i>		
Inventories	95,940.17	85,187.02
Trade receivables	18,952.49	(25,761.05)
Current and non-current loans	(17,682.63)	12,967.96
Other current and non-current assets	3,803.00	(11,357.24)
Other current and non-current financial assets	(12,537.29)	(16,249.08)
Trade payables	(56,796.95)	36,026.04
Other current and non-current financial liabilities	20,685.37	33,201.48
Other current liabilities	(92,623.33)	(387,443.17)
Non-current liabilities and provisions	-	(14.76)
Cash used in operating activities	(31,705.60)	(112,430.36)
Income taxes paid (net)	(11,483.30)	(3,499.50)
Net cash used in operating activities	(43,188.90)	(115,929.86)
B Cash flow from investing activities:		
Purchase of property, plant and equipment, investment property and intangible assets (including capital advances)	(925.31)	(12,534.78)
Proceeds from sale of property, plant and equipment and intangible assets	93.32	8,910.77
Movement in fixed deposits (net)	(11,118.00)	(2,363.80)
Proceeds from redemption of investments - preference shares	-	25,177.00
Proceed from sale of non-current investments	317,849.96	64,646.71
Purchase of non-current investments	(1,891.00)	(3,411.08)
Proceed from sale/(purchase) of current investments (net)	735.64	139,425.83
Inter-corporate loans given (net)	(32,877.19)	(45,167.19)
Interest received	5,995.95	3,800.11
Net cash flow from investing activities	277,863.37	178,483.57
C Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	2,171.06	1,070.53
Buyback of equity shares	-	(44,766.26)
Proceeds from issue of preference shares	-	45,000.00
Proceeds from borrowings from banks	43,498.10	377,155.35
Repayment of borrowings to banks	(37,941.70)	(378,223.41)
Proceeds from issue of debentures	35,000.00	49,732.00
Redemption of debentures	(76,791.00)	(162,500.00)
Proceeds from issue of commercial paper	101,500.00	423,000.00
Repayment of commercial paper	(203,000.00)	(414,000.00)
Interest and other borrowing costs paid	(51,401.22)	(66,004.33)
Payment of lease liabilities (inclusive of interest paid amounting to ₹ 484.10 lakhs)	(2,072.95)	-
Net cash used in financing activities	(189,037.71)	(169,536.12)

	<u>31 March 2020</u> (₹ in lakhs)	<u>31 March 2019</u> (₹ in lakhs)
D Opening cash and cash equivalents of subsidiaries acquired/sold (net)	(101,110.75)	(83.29)
E Net decrease in cash and cash equivalents (A+B+C+D)	(55,473.99)	(107,065.70)
F Cash and cash equivalents at the beginning of the year (refer note a below)	<u>60,291.41</u>	<u>167,357.11</u>
G Cash and cash equivalents at the end of the year (E+F)	<u>4,817.42</u>	<u>60,291.41</u>

Notes:a) **Cash and cash equivalents includes (refer note 18) :**

Cash on hand	14.95	11.46
Balances with banks - in current accounts	4,777.32	10,981.26
Bank deposits with original maturity upto three months	<u>25.16</u>	<u>49,298.69</u>
Total of cash and cash equivalents	<u>4,817.43</u>	<u>60,291.41</u>

The accompanying notes are integral part of the consolidated financial statements.

This is the consolidated cash flow statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors

Neeraj Sharma
Partner
Membership No. 502103

Place: New Delhi
Date: 14 May 2020

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Place: New Delhi
Date: 14 May 2020

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Mumbai
Date: 14 May 2020

Anil Mittal
Chief Financial Officer
Place: Gurugram
Date: 14 May 2020

Ravi Telkar
Company Secretary
Place: Mumbai
Date: 14 May 2020

A Equity share capital* (₹ in lakhs)

Particulars	Balance as at 1 April 2018	Issue of equity share capital during the year	Buyback of equity share capital during the year	Balance as at 31 March 2019	Issue of equity share capital during the year	Balance as at 31 March 2020
Equity share capital	9,493.48	40.13	520.00	9,013.61	79.67	9,093.28
	9,493.48	40.13	520.00	9,013.61	79.67	9,093.28

B Instruments entirely equity in nature** (₹ in lakhs)

Particulars	Balance as at 1 April 2018	Movement during the year	Balance as at 31 March 2019	Movement during the year	Balance as at 31 March 2020
Optionally convertible redeemable preference shares	104,828.00	-	104,828.00	(62,328.00)	42,500.00
	104,828.00	-	104,828.00	(62,328.00)	42,500.00

C Other equity*** (₹ in lakhs)

Description	Reserves and surplus							Other comprehensive income			Equity attributable to owners of Holding Company	Non-controlling interests	Total equity
	General reserve	Capital reserve	Debtenture redemption reserve	Capital redemption reserve	Share options outstanding account	Securities premium	Retained earnings (refer note 59)	Fair valuation of equity instruments	Net investment hedge reserve	Foreign currency translation reserve			
Balance as at 01 April 2018 (restated)^	53,312.65	27,720.50	31,437.54	1,680.92	2,570.20	577,311.54	(386,760.30)	(22,348.99)	-	87.95	285,012.01	1,042.69	286,054.70
Profit for the year	-	-	-	-	-	-	50,414.57	-	-	-	50,414.57	16.95	50,431.52
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	(228.84)	-	-	-	(228.84)	3.06	(225.78)
Net loss on equity instruments through other comprehensive income	-	-	-	-	-	-	-	(5,913.12)	-	-	(5,913.12)	-	(5,913.12)
Share of other comprehensive income of joint ventures accounted for using the equity method	-	-	-	-	-	-	-	(411.20)	-	-	(411.20)	-	(411.20)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	1,217.91	1,217.91	-	1,217.91
Gain on net investment hedge	-	-	-	-	-	-	(3,806.36)	-	2,577.99	-	(1,228.37)	-	(1,228.37)
Share based payment expense	-	-	-	-	351.31	-	-	-	-	-	351.31	-	351.31
Issue of equity shares (including exercise of stock options)	-	-	-	-	(807.65)	1,838.04	-	-	-	-	1,030.39	-	1,030.39
Transfer from retained earnings on account of buy back of equity shares and creation of debtenture redemption reserve/capital redemption reserve	-	-	937.50	520.00	-	-	(1,457.50)	-	-	-	-	-	-
Buyback of equity shares	-	-	-	-	-	(44,246.26)	-	-	-	-	(44,246.26)	-	(44,246.26)
Balance as at 31 March 2019 (restated)^	53,312.65	27,720.50	32,375.04	2,200.92	2,113.86	534,903.32	(341,838.43)	(28,673.31)	2,577.99	1,305.86	285,998.40	1,062.70	287,061.10
Profit for the year	-	-	-	-	-	-	12,069.23	-	-	-	12,069.23	41.29	12,110.52
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	39.08	-	-	-	39.08	0.75	39.83
Net loss on equity instruments through other comprehensive income	-	-	-	-	-	-	-	(3,258.25)	-	-	(3,258.25)	-	(3,258.25)
Share of other comprehensive income of joint ventures accounted for using the equity method	-	-	-	-	-	-	-	(46,122.81)	-	-	(46,122.81)	-	(46,122.81)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	7,573.75	7,573.75	-	7,573.75
Loss on settlement of net investment hedge	-	-	-	-	-	-	-	-	(2,577.99)	-	(2,577.99)	-	(2,577.99)
Amount transferred to retained earnings	-	-	-	-	-	-	(46,534.01)	46,534.01	-	-	-	-	-
Impact of purchase of optionally convertible redeemable preference shares of subsidiary company from third party shareholders	-	-	-	-	-	-	55,328.00	-	-	-	55,328.00	-	55,328.00
Share based payment expense	-	-	-	-	86.68	-	-	-	-	-	86.68	-	86.68
Issue of equity shares (including exercise of stock options)	-	-	-	-	(1,366.36)	3,457.75	-	-	-	-	2,091.39	-	2,091.39
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(19.33)	-	19.33	-	-	-	-	-	-
Impact of change in effective tax rate on deferred tax assets created consequent to adoption of Ind AS 115	-	-	-	-	-	-	(7,025.24)	-	-	-	(7,025.24)	-	(7,025.24)
Balance as at 31 March 2020	53,312.65	27,720.50	32,375.04	2,200.92	814.85	538,361.07	(327,942.04)	(31,520.36)	-	8,879.61	304,202.24	1,104.74	305,306.98

*Refer note 21A for details

**Refer note 21C for details

***Refer note 22 for details

^ Refer note 59 for the reclassification related information

The accompanying notes are integral part of the consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No :502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Place: New Delhi
Date: 14 May 2020

Place: New Delhi
Date: 14 May 2020

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Mumbai
Date: 14 May 2020

Anil Mittal
Chief Financial Officer

Place: Gurugram
Date: 14 May 2020

Ravi Telkar
Company Secretary

Place: Mumbai
Date: 14 May 2020

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. Nature of principal activities

Indiabulls Real Estate Limited ('the Holding Company') was incorporated on 04 April 2006 with the main objects of carrying on the business of real estate project advisory, project marketing, maintenance of completed projects, engineering, industrial and technical consultancy, construction and development of real estate properties and other related and ancillary activities. The Holding Company is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi – 110001.

Indiabulls Real Estate Limited ('the Holding Company'), its subsidiaries and joint ventures (the Holding Company, its subsidiaries and joint ventures together referred to as "the Group") in the following notes.

2. General information and statement of compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

These consolidated financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 14 May 2020. The revisions to the consolidated financial statements is permitted by the Board of Directors of the Holding Company after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

4.1 Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group has power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2020.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains/(losses) on transactions between group companies are eliminated. The accounting principles and policies have been consistently applied by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including each component of OCI) is attributed to the equity holders of the Holding Company and to the non-controlling

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

interests basis the respective ownership interests and the such balance is attributed even if this results in the non-controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Joint ventures

Investments in joint arrangements are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement. The Group has classified its investment in joint arrangement as joint ventures.

Interest in joint venture are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting principles and policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

On loss of joint control, the difference between proceeds from disposal (including fair value of any retained interests) and the carrying amount of the investment in joint ventures is recognised in consolidated statement of profit and loss.

4.2 Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are generally recognized in the statement of profit and loss as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

Goodwill is initially measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred and where exists clear evidence of underlying reasons of classifying business combinations as bargain purchase, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

4.3 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Group applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Revenue from sale of properties

Revenue from sale of properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration is received from the customers.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Group when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

Revenue from construction contracts

Revenue and related expenditures in respect of short-term works contracts that are entered into and completed during the year are accounted for on accrual basis as they are earned. Revenue and related expenditures in respect of long-term works contracts are accounted for on the basis of 'input method' as the performance obligations are satisfied over time. In case of cost plus contracts, revenue is recognised as per terms of specific contract, i.e. cost incurred plus an agreed profit margin. Further, the Group considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue from sale of land

Revenue from sale of land is recognised in the year in which the underlying sale deed is executed and there exists no uncertainty in the ultimate collection of consideration from buyer.

Base rent and amenities income

Base rent and amenities income are recognised on a straight-line basis over the terms of the lease, except for contingent rental income, which is recognised when it arises. Base rent comprises rental income earned from the operating leases and finance lease of the owned properties. Amenities income is rental revenue earned from the letting of space at the properties for amenities (including canteen space and business centre) is recognised in the period in which the services are being rendered.

Land lease income

Upfront lease premium received/receivable is recognized on operating lease basis i.e. on straight line basis over the lease term of the lease/sub-lease arrangement. Annual lease rentals are recognized on an accrual basis.

Operations and maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognised in the period in which the services are being rendered. A receivable is recognised by the Group when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, the Group considers the terms of the contract and its customary business practices to

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying real estate business

Profit on sale of investments of entities in the real estate business is recognised in the year in which such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business. However, in case of loss on sale of such investments, the same is recognised as part of other expense.

Gain on fair valuation of investment (remaining stake)

Gain on fair valuation of investment is recognised in the year in which the remaining investment is fair valued basis the consideration received for the proportionate stake sale. The said gain is recognised as part of other operating income as there is underlying business of real estate development.

Revenue from real estate properties advisory and management services

Income arising from real estate properties advisory is recognised in the period in which the services are being rendered. The Group considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue on account of settlement of existing project

Revenue from such settlement is recognised in the year in which the underlying executed documents are received and there exists no uncertainty in the ultimate collection of consideration.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

Gain on amortised cost financial assets

Gain on de-recognition of financial asset carried at amortised cost is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

4.4 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realisable value, on the basis of first-in first-out method.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

4.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

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4.6 Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset class	Useful life
Building – temporary structures	1 – 3 years
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years
Ship	13 years

Leasehold improvements

Leasehold improvements have finite useful life and, therefore, are capitalised separately and amortised over the lease period or the estimated useful life of the leasehold improvements. Presently, the estimated useful life of the assets is less than the lease period and is as below:

Asset class	Useful life
Boundary wall	5 years
Water pipeline	12 years
Other infrastructure works	10 years
Electrical work	10 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

4.7 Investment property

Recognition and initial measurement

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual valuation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Subsequent measurement (depreciation and useful lives)

Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset class	Useful life
Building and related fixtures	
Buildings	60 years
Fixtures	10 years
Plant and equipment	12 - 15 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

Investment property under development

Investment property under development represents expenditure incurred in respect of capital projects are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

Right of use asset classified as investment property

The Group has taken a land on long-term lease for which it has recognised right of use assets. The Group has then sub-leased the said right of use assets under an operating lease and hence, this has been classified as investment property and measure accordingly.

4.8 Intangible assets

Recognition and initial measurement

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a useful life of 3 to 4 years from the date of its acquisition.

De-recognition

Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

4.9 Assets held for sale

Non-current assets are classified as held for sale if their sale is considered highly probable. They are measured at fair value less cost to sell.

4.10 Lease

Where the Group is the lessee

Right of use assets and lease liabilities

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 43). A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the

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Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

4.11 Impairment of non-financial assets

At each reporting date, the Group and its joint ventures assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

4.12 Financial instruments

Financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

- i. **Debt instruments at amortised cost** – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Equity investments** – All equity investments in scope of Ind AS 109 Financial Instruments ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.
- iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income).

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Financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, most of the liabilities are measured at amortised cost using the effective interest method.

Recognition and initial and subsequent measurement – fair value

A financial liability is classified as fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains/losses, including any interest expense are recognised in statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Net investment hedge

The Holding Company has entered into certain forward (derivative) contracts to hedge foreign currency risk. Derivative financial instruments are accounted at FVTPL except for derivatives designated as hedging instruments. To qualify for hedge accounting, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction.

Hedge of net investments in foreign operations are accounted for similar to cash flow hedges. The changes in fair value of forward element is recognised in other comprehensive income and accumulated in net investment hedge reserve in equity. The difference between forward and spot element at the date of designation of hedging instrument is amortised over the period of hedge. Gains and losses accumulated in equity are reclassified to profit or loss on partial or full settlement.

4.13 Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

4.14 Foreign currency

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Holding Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Translation of foreign operations

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. In respect of foreign operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the statement of profit and loss are translated at the average exchange rate (that approximates the actual exchange rates) during the year. The exchange difference arising out of the translation are recognized in other comprehensive income and are accumulated as foreign currency translation reserve, in the balance sheet until the disposal of the net investments at which time they are recognised as income or as expenses.

4.15 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of current tax and deferred tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences (including differences arising on account of consolidation) between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed

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based on the forecast of future operating results of respective entity, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

4.16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.17 Employee benefits

Defined contribution plan

The Group's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate properties under development, as the case may be. The Group's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Defined benefit plan

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.18 Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Holding Company.

4.19 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

4.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.21 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Classification of leases The Group enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Significant estimates

The following are significant estimates in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Revenue and inventories – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilization of asset.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note - 5
Property, plant and equipment

Property, plant and equipment	(₹ in lakhs)								
	Leasehold improvements	Building - temporary structure	Plant and equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Ships	Total
Gross block									
As at 1 April 2018	3,425.23	210.54	4,852.28	334.19	414.92	1,516.80	1,476.94	78.55	12,309.45
Additions	-	18.03	45.02	49.49	102.87	34.82	250.54	-	500.77
Adjustments/disposals# (refer note 51(iv))	-	17.37	214.47	181.68	58.73	6.01	13.58	-	491.84
As at 31 March 2019	3,425.23	211.20	4,682.83	202.00	459.06	1,545.61	1,713.90	78.55	12,318.38
Additions	-	2.07	12.05	14.87	25.08	8.81	5.47	-	68.34
Adjustments/disposals# (refer note 50(i), 50(iii) and 51(iv))	-	8.30	300.89	12.91	11.99	1,033.75	386.39	-	1,754.22
Balance as at 31 March 2020	3,425.23	204.97	4,393.99	203.96	472.15	520.67	1,332.98	78.55	10,632.50
Accumulated depreciation									
As at 1 April 2018	755.94	208.74	3,160.75	222.50	321.96	729.20	857.98	20.85	6,277.92
Charge for the year	504.42	3.34	362.48	43.66	72.79	169.38	170.03	6.04	1,332.14
Adjustments/disposals# (refer note 51(iv))	-	17.37	155.87	176.17	54.45	6.01	12.42	-	422.29
As at 31 March 2019	1,260.36	194.71	3,367.36	89.99	340.30	892.57	1,015.59	26.89	7,187.77
Charge for the year	504.42	6.66	321.63	46.36	65.43	189.99	146.88	6.04	1,287.41
Adjustments/disposals# (refer note 50(i), 50(iii) and 51(iv))	-	8.30	269.39	9.04	10.40	673.78	350.15	-	1,321.06
Balance as at 31 March 2020	1,764.78	193.07	3,419.60	127.31	395.33	408.78	812.32	32.93	7,154.12
Net block as at 31 March 2019									
Net block as at 31 March 2020	2,164.87	16.49	1,315.47	112.01	118.76	653.04	698.31	51.66	5,130.61
Net block as at 31 March 2020	1,660.45	11.90	974.39	76.65	76.82	111.89	520.66	45.62	3,478.39

This also includes property, plant and equipment of subsidiaries where controlling stake is disposed off during the year.

Notes :

- (i) During the year, depreciation of ₹ 134.24 lakhs (31 March 2019: ₹ 116.22 lakhs) has been inventorized as part of real estate properties under development.
(ii) Refer note 23A for details of property, plant and equipment pledged as security.

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note - 6

				(₹ in lakhs)
A Completed investment property				Total
	Leasehold land	Building and related fixtures	Plant and equipment*	
Gross block				
At 1 April 2018	9,367.49	35,906.81	9,069.26	54,343.56
Additions on account of acquisition of subsidiary	1,564.61	5,394.41	2,707.57	9,666.59
Adjustments/disposals# (refer note 51(iv))	10,932.10	41,301.22	11,776.83	64,010.15
Balance as at 31 March 2019	-	-	-	-
Additions	-	25.19	-	25.19
Addition on account of transition to Ind AS 116\$	6,189.60	-	-	6,189.60
Balance as at 31 March 2020	6,189.60	25.19	-	6,214.79
Accumulated depreciation				
At 1 April 2018	-	664.59	1,409.53	2,074.12
Charge for the year	-	302.64	196.76	499.40
Adjustments/disposals# (refer note 51(iv))	-	967.23	1,606.29	2,573.52
Balance as at 31 March 2019	-	-	-	-
Charge for the year	73.91	-	-	73.91
Balance as at 31 March 2020	73.91	-	-	73.91
Net block as at 31 March 2019	-	-	-	-
Net block as at 31 March 2020	6,115.69	25.19	-	6,140.88
B Investment property under development				
Gross block				
At 1 April 2018	15,008.68	21,830.24	-	36,838.92
Additions	8,952.91	3,996.21	-	12,949.12
Adjustments/disposals# (refer note 51(iv))	22,453.25	13,651.84	-	36,105.09
Balance as at 31 March 2019	1,508.34	12,174.61	-	13,682.95
Additions	-	842.80	-	842.80
Adjustments/disposals# (refer note 50(iii))	1,508.34	13,017.41	-	14,525.75
Balance as at 31 March 2020	-	-	-	-
C Total of investment property (A+B)				
Net block as at 31 March 2019	1,508.34	12,174.61	-	13,682.95
Net block as at 31 March 2020	6,115.69	25.19	-	6,140.88

* These plant and equipment were ancillary to buildings.

#This also includes property, plant and equipment of subsidiaries where controlling stake is disposed off during the year.

\$Pursuant to applicability of Ind AS 116 'Leases' from 1 April 2019, one of the subsidiary company has reclassified 'Prepayment for Land' balance amounting to ₹ 6,189.60 from 'Other non-current assets' to 'Investment property'. The underlying contract is for land taken on lease by the said subsidiary company, which has then sub-leased to another party under an operating lease.

(i) Capitalisation of borrowing costs

During the year, borrowing cost of ₹ Nil (31 March 2019: ₹ 598.44) has been inventorized as part of investment property under development.

(ii) Contractual obligations

Refer to note 46B(i) for disclosure of contractual commitments for investment property.

(iii) Investment property pledged as security

None of the above investment property has been pledged as security by the Group.

(iv) Amounts recognised in statement of profit and loss for investment property

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Rental income (including maintenance and car park income)	151.15	1,986.94
Less: Direct operating expenses generating rental income (including repair and maintenance)	-	979.46
Less: Direct operating expenses that do not generate rental income (including repair and maintenance)	-	153.52
Profit from leasing of investment properties before depreciation	151.15	853.96
Less: Depreciation	73.91	499.40
Profit from leasing of investment properties	77.24	354.56

(v) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 43 for details on future minimum lease rentals.

(vi) Fair value

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Investment property	10,869.82	13,682.95

Estimation of fair value

The Group has determined that fair value of the investment property under construction to be reliably measurable when construction gets completed, hence book value has been assumed to be fair value. This is applicable for previous year.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note - 7 (Refer note 43)

Right of use assets	(₹ in lakhs)	
	Building	Total
Gross block		
As at 1 April 2019	5,566.81	5,566.81
Adjustments during the year	295.93	295.93
De-recognition on account of early termination of lease contract	289.54	289.54
Balance as at 31 March 2020	5,573.20	5,573.20
Accumulated depreciation		
As at 1 April 2019	-	-
Charge for the year	1,808.61	1,808.61
De-recognition on account of early termination of lease contract	70.52	70.52
Balance as at 31 March 2020	1,738.09	1,738.09
Net block as at 31 March 2020	3,835.11	3,835.11

Note - 8

Intangible assets	(₹ in lakhs)	
	Computer softwares	Total
Gross block amount		
As at 1 April 2018	566.73	566.73
Additions	86.43	86.43
Adjustment for disposals	5.80	5.80
As at 31 March 2019	647.36	647.36
Additions	14.17	14.17
Adjustment for disposals# (refer note 50)	12.27	12.27
Balance as at 31 March 2020	649.26	649.26
Accumulated amortisation		
As at 1 April 2018	518.22	518.22
Charge for the year	29.24	29.24
Adjustment for disposals	5.77	5.77
As at 31 March 2019	541.69	541.69
Charge for the year	40.51	40.51
Adjustment for disposals# (refer note 50)	4.18	4.18
Balance as at 31 March 2020	578.02	578.02
Net block as at 31 March 2019	105.67	105.67
Net block as at 31 March 2020	71.24	71.24

#This also includes intangible assets of subsidiaries where controlling stake is disposed off during the year.

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020		31 March 2019	
	(₹ in lakhs)		(₹ in lakhs)	
Note - 9	Number	Amount	Number	Amount
Investment accounted for using the equity method^#				
In Joint ventures (unquoted)				
In equity shares				
Indiabulls Real Estate Company Private Limited (from 29 March 2018 till 25 September 2019)\$	-	-	1,916,979	95,000.00
Indiabulls Properties Private Limited (from 29 March 2018 till 25 September 2019) \$	-	-	1,625,681	130,000.00
One Qube Realtors Limited (formerly Ashkit Properties Limited) (from 28 December 2018 till 25 September 2019) \$	-	-	67,603	10,100.00
Yashita Buildcon Limited (from 28 December 2018 till 25 September 2019) \$	-	-	50,000	6,120.34
		-		241,220.34
Less: Share of loss from joint ventures accounted using the equity method		-		(894.91)
		-		240,325.43
In compulsorily convertible debentures*				
Yashita Buildcon Limited (face value of ₹10 each and Nil coupon rate) (from 28 December 2018 till 25 September 2019) \$	-	-	100	6.41
		-		6.41
Total		-		240,331.84
Aggregate book value of unquoted investments		-		240,331.84
Aggregate book value and market value of quoted investments		-		-
^ All equity shares have face value ₹ 10 each unless otherwise stated.				
# These investments are accounted using equity method and investment value represents fair value of underlying assets and liabilities and related goodwill.				
\$ Refer note no. 50 and 51				
* Till the previous year the compulsory convertible debentures (CCDs) were convertible in equity at fixed ratio. During the current year, these compulsory convertible debentures have been converted into 100 optionally convertible debentures (OCDs) of face value of ₹ 10 each and subsequent to this change, the Holding Company has redeemed these OCDs at face value.				
Note - 10				
A Investments - non-current				
(i) Investment in equity shares - others				
Quoted				
RattanIndia Power Limited (face value of ₹ 10 each)#	241,351,470	3,258.24	241,351,470	6,516.49
Unquoted*				
Avinash Bhosale Infrastructure Private Limited (face value of ₹ 100 each)	2,090,000	1,976.80	2,090,000	1,988.76
Good Morning India Media Private Limited (face value of ₹ 10 each)	2,500,000	217.32	2,500,000	217.32
Jagati Publications Limited (face value of ₹ 10 each)	1,972,221	977.12	1,972,221	976.19
Oriental Buildtech Private Limited (face value of ₹ 10 each)**	-	-	569	-
(ii) Investment in preference shares - others				
Unquoted*				
Westend Propmart Private Limited (6% non-cumulative optionally convertible preference shares ₹ 10 each)	3,350,000	317.70	3,350,000	345.96
(iii) Investment in bonds - others^^				
Unquoted				
HDFC Bank Limited (Coupon rate 8.44%)	8	878.92	8	878.41
Housing Development Finance Corporation Limited (Coupon rate 8.45%)	20	2,148.06	20	2,147.71
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	12	1,294.64	12	1,293.87
Housing Development Finance Corporation Limited (Coupon rate 8.35%)	10	1,098.82	10	1,097.97
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	7	752.21	7	751.77
LIC Housing Finance Limited (Coupon rate 8.47% and face value of ₹ 1,000,000 each)	10	110.01	10	109.94
		13,029.84		16,324.39
Aggregate amount of unquoted investments (net)		9,771.60		9,807.90
Aggregate amount of quoted investments and market value		3,258.24		6,516.49
#This investment (being strategic in nature) is measured at fair value through other comprehensive income. The above values represents the fair values as at the end of the respective reporting year. No dividends have been received from such investments during the year.				
*All the investments are designated as fair value through profit and loss, unless otherwise stated.				
**Fair value of investment in Oriental Buildtech Private Limited in previous year is ₹ Nil and this has been sold during the year ended 31 March 2020.				
^^Face value of ₹ 10,000,000 each unless otherwise stated				
B Investments - current				
(i) Investment in mutual funds (quoted)				
Indiabulls Liquid Fund - Direct Plan - Growth		150.58		141.10
[7,762.659 (31 March 2019 7,844.221) units]				
Indiabulls Liquid Fund - Daily Dividend Option		-		11.30
[Nil (31 March 2019 : 832.961) units]				
Reliance Liquid Fund - Daily Dividend Option		-		5.68
[Nil (31 March 2019 : 124.521) units]				
Indiabulls Savings Fund - Direct Plan - Growth		6.67		1.04
[600 (31 March 2019 : 100) units]				
		157.25		159.12
Aggregate amount of quoted investments and market value		157.25		159.12

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 11		
A Loans - non current[#]		
(Unsecured, considered good)		
Security deposits	1,853.65	2,387.36
	1,853.65	2,387.36
B Loans - current[#]		
(Unsecured, considered good)		
Security deposits	1,010.91	1,205.55
Loan component of redeemable financial instruments	-	7,524.73
Inter-corporate loans (inclusive of interest accrued ₹ 5,862.44 lakhs (previous year ₹ 468.18 lakhs)) (refer note 71)	90,963.50	45,167.32
	91,974.41	53,897.60
#The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.		
Note - 12		
A Other financial assets - non-current		
(Unsecured, considered good)		
Bank deposits with maturity of more than 12 months (refer note 18)	5,292.79	20,680.56
Derivative assets	-	3,242.41
	5,292.79	23,922.97
B Other financial assets - current		
(Unsecured, considered good)		
Earnest money deposit	1.00	1.00
Receivable against sale of investments (refer note 50)	155,868.31	-
Loans to employees	383.36	280.79
Other advances	476.10	651.43
	156,728.77	933.22
Note - 13		
Deferred tax assets (net)		
Deferred tax asset arising on account of :		
Property plant and equipment, investment property and intangible assets - depreciation and amortization	67.83	69.46
Right of use assets and lease liability	84.71	-
Employee benefits	553.79	1,081.47
Interest expense - adjustment arising on account of Income Computation and Disclosure Standards	-	582.92
Reversal of revenue and related costs as per Ind AS 115	25,395.35	40,688.34
Unabsorbed long-term capital losses	-	2,684.94
Unrealised margin on inventories	6,919.19	14,409.57
Impairment for investments, financial and non-financial assets	692.16	1,919.20
Deferred tax liabilities arising on account of :		
Derivative assets - mark to market gain on derivative contract	-	(1,133.03)
Fair valuation gain on investments	-	(1,918.36)
Minimum alternative tax credit entitlement	-	2,982.56
	33,713.03	61,367.07

- (i) The Group has unabsorbed business losses and unabsorbed depreciation of ₹ 427,161.82 lakhs (31 March 2019: ₹ 243,510.02 lakhs) on which no deferred tax asset is created as there is no convincing evidence which demonstrates probability of realization of deferred tax asset in the near future.
- (ii) The Group did not recognise deferred tax liability of ₹ 40,066.98 lakhs (31 March 2019: ₹ 62,203.85 lakhs) with respect to unremitted retained earnings of Group subsidiaries wherever it controls the timing of the distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future.

(iii) Caption wise movement in deferred tax assets is as follows

(₹ in lakhs)

Particulars	01 April 2018	Recognised in other comprehensive income	Recognised in statement of profit and loss	Utilised/adjusted during the year ^{^^}	31 March 2019
Assets					
Property plant and equipment, investment property and intangible assets - depreciation and amortization	125.54	-	(56.08)	-	69.46
Employee benefits	804.83	33.14	243.50	-	1,081.47
Interest expense - adjustment arising on account of Income Computation and Disclosure Standards	577.31	-	5.61	-	582.92
Impairment for investments, financial and non-financial assets	87.04	-	1,832.16	-	1,919.20
Unabsorbed long-term capital losses	-	-	2,684.94	-	2,684.94
Unrealised margin on inventories	5,218.03	-	9,191.54	-	14,409.57
Loans and other financial assets	5,661.23	-	(5,661.23)	-	-
Reversal of revenue and related costs as per Ind AS 115	78,478.43	-	(38,623.85)	833.76	40,688.34
Others	102.08	-	(102.08)	-	-
Liabilities					
Derivative assets - mark to market gain on derivative contract	-	-	(1,133.03)	-	(1,133.03)
Fair valuation gain on investments	-	-	(1,918.36)	-	(1,918.36)
Sub-total	91,054.49	33.14	(33,536.88)	833.76	58,384.51
Minimum alternative tax credit entitlement	8,577.67	-	3.05	(5,598.16)	2,982.56
Total	99,632.16	33.14	(33,533.83)	(4,764.40)	61,367.07

Particulars	01 April 2019	Recognised in other comprehensive income	Recognised in statement of profit and loss	Recognised in other equity#	31 March 2020
Assets					
Property plant and equipment, investment property and intangible assets - depreciation and amortization	69.46	-	(1.63)	-	67.83
Right of use assets and lease liability	-	-	84.71	-	84.71
Employee benefits	1,081.47	(4.82)	(522.86)	-	553.79
Interest expense - adjustment arising on account of Income Computation and	582.92	-	(582.92)	-	-
Impairment for investments, financial and non-financial assets	1,919.20	-	(1,227.04)	-	692.16
Unabsorbed long-term capital losses	2,684.94	-	(2,684.94)	-	-
Unrealised margin on inventories	14,409.57	-	(7,490.38)	-	6,919.19
Loans and other financial assets	-	-	-	-	-
Reversal of revenue and related costs as per Ind AS 115	40,688.34	-	(8,267.75)	(7,025.24)	25,395.35
Liabilities					
Derivative assets - mark to market gain on derivative contract	(1,133.03)	-	1,133.03	-	-
Fair valuation gain on investments	(1,918.36)	-	1,918.36	-	-
Sub-total	58,384.51	(4.82)	(17,641.42)	(7,025.24)	33,713.03
Minimum alternative tax credit entitlement	2,982.56	-	(2,982.56)	-	-
Total	61,367.07	(4.82)	(20,623.98)	(7,025.24)	33,713.03

^^This includes movement on account of subsidiary companies which were sold during the year.

#This is adjusted in retained earnings on account of change in tax rate for some of the group entities. This is the deferred tax impact on Ind AS 115 adjustments, whereby deferred tax was recognised in retained earnings in last year on transition to Ind AS 115.

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 14		
Non-current tax assets (net)		
Advance income tax, including tax deducted at source (net of provisions)	20,880.44	21,318.70
	20,880.44	21,318.70

Note - 15

A Other non-current assets

(Unsecured, considered good)

Advances to suppliers	0.22	29.06
Prepaid expenses	84.69	218.24
Security deposits#	6,500.00	6,500.00
Balances with statutory and government authorities	333.33	4,430.42
Prepayment for land*	-	6,189.60
	6,918.24	17,367.32

#to be adjusted with purchase of land.

*During the year, Ind AS 116 became applicable and the Group has applied modified retrospective approach. One of the subsidiary company had made one time lease payment amounting to ₹ 6,189.60 lakhs to Maharashtra Industrial Development Corporation ("MIDC") during the earlier years as upfront payments towards lease of SEZ land parcel. The Group has then sub-leased some portion of this land to third parties and intends to sub-lease the remaining area as well. Accordingly, this amount has been transferred to investment property.

B Other current assets

(Unsecured, considered good unless otherwise stated)

Mobilization advances	2,882.38	3,173.48
Advance to suppliers/service providers (doubtful balance of ₹ 509.27 lakhs (31 March 2019: ₹ 251.50))	7,270.93	9,433.21
Prepaid expenses	199.77	3,767.32
Balances with statutory and government authorities (doubtful balance of ₹ 875.00 lakhs (31 March 2019: ₹ Nil))	6,356.03	9,638.00
Stamp paper in hand	4.50	2.40
Land advances	7,517.07	11,212.71
Other advances*	1,567.13	4,936.58
	25,797.81	42,163.70
Less: Impairment for non-financial assets	(1,384.27)	(251.50)
	24,413.54	41,912.20

*this includes deposits lying with solicitor against property sold amounting to ₹ Nil lakhs (31 March 2019 : ₹ 4,192.09 lakhs).

Note - 16

Inventories

A Real estate properties under development (at cost)

Cost of properties under development	1,194,952.62	1,358,212.15
Less: Transferred to developed properties	(706,745.51)	(507,232.86)
	488,207.11	850,979.29
Less: Impairment of inventories	-	(72,380.00)
Less: Provision for expected loss	-	(483.29)
	488,207.11	778,116.00

B Real estate properties - developed (at cost)

Cost of developed properties	706,745.51	507,232.86
Less: Cost of revenue recognized till date	(489,045.21)	(306,733.00)
	217,700.30	200,499.86
Less: Provision for expected loss	(5,911.40)	(2,947.18)
	211,788.90	197,552.68

C Construction materials in stock (at cost)

	5,639.32	9,217.75
	705,635.33	984,886.43

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
Notes :

- (i) During the year ended 31 March 2020, the Group has inventorised borrowing cost of ₹ 3,988.05 lakhs (31 March 2019: ₹ 6,914.20 lakhs) to cost of real estate project under development. The Group entities has capitalised the interest expense related to specific borrowings obtained for real estate properties under development.
- (ii) The weighted average rate of interest capitalisation is in the range of 9.00% to 11.50% basis the underlying borrowings of respective entities.
- (iii) Inventories amounting to ₹414,542.76 lakhs (31 March 2019: ₹ 473,818.99) lakhs have been pledged/mortgaged as security for liabilities.

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 17		
Trade receivables		
(Unsecured considered good, unless otherwise stated)		
Trade receivables considered good - unsecured	8,015.01	26,967.50
Trade receivables - credit impaired	33.04	33.04
	8,048.05	27,000.54
	(33.04)	(33.04)
Less: Impairment for trade receivables (expected credit loss)	8,015.01	26,967.50

Note : Trade receivables amounting to ₹ 4,184.15 (31 March 2019: ₹ 22,903.95 lakhs) have been pledged/mortgaged as security for liabilities.

Note - 18
A Cash and cash equivalents

Cash on hand	14.95	11.46
Balances with banks - in current accounts	4,777.32	10,981.26
Bank deposits with original maturity upto three months	25.16	49,298.69
	4,817.43	60,291.41

Notes with respect to bank deposits (including bank deposits under Note 12A and Note 19) :

- (i) Bank deposits of ₹ 5,157.08 lakhs (excluding interest accrued) (31 March 2019: ₹ 11,901.57 lakhs) have been pledged against bank guarantees, letter of credit and overdraft facility.
- (ii) Bank deposits of ₹ 3,043.48 lakh (excluding interest accrued) (31 March 2019: ₹ 11,987.78 lakhs) have been lien marked as a security for servicing of term loan, debentures interest and hedge margin.
- (iii) Bank deposits of ₹ 201.62 lakhs (excluding interest accrued) (31 March 2019: ₹ 23.69 lakhs) have been lien marked as a security for valued added tax registration, for fire no objection certificate and for other government authorities.
- (iv) Bank deposits of ₹ 25,000.00 lakhs (excluding interest accrued) (31 March 2019: ₹ Nil) have been lien marked to third party as a security to fulfill certain business obligations.

Note - 19
Other bank balances

Balances with banks - in unclaimed dividend accounts*	38.74	38.75
Bank deposits with maturity of more than three months and upto twelve months (refer note 18)	32,667.47	13,449.93
	32,706.21	13,488.68

* Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Holding Company does not have any right on the said money.

Note - 20
Assets held for sale

Assets held for sale (refer note 50(iii) and 58)	9,003.87	34,706.36
	9,003.87	34,706.36

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

A Equity share capital

iv Rights, preferences and restrictions attached to equity and preference shares

v Details of shareholder holding more than 5% share capital

	31 March 2019
Name of the equity shareholder	Number of shares
Jyestha Infrastructure Private Limited	49,755,973
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	36,700,000

vi Aggregate number of shares issued for consideration other than cash

No shares have been issued for other than cash during the period of five years immediately preceding 31 March 2020.

vii Aggregate number of shares bought back

- a. During the year ended 31 March 2019, 26,000,000 equity shares were bought back at an average price of ₹ 170.85 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).
- b. During the year ended 31 March 2018, 5,796,000 equity shares were bought back at an average price of ₹ 89.76 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).
- c. During the year ended 31 March 2017, 28,250,000 equity shares were bought back at an average price of ₹ 78.01 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).

viii Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company, refer note 48.

B Preference share capital

Since the Holding Company has not issued preference shares, hence, other disclosures are not presented.

C Instruments entirely equity in nature

* During the year, these shares were acquired by Holding Company and hence, eliminated in consolidated financial statements.

iv **Rights, preferences and restrictions attached to optionally convertible redeemable preference shares ("OCRPS")**

0.00001% Optionally convertible redeemable preference shares of face value of ₹ 10 each fully paid up, the payment of dividend shall be on non cumulative basis. Subject to the provisions of the Companies Act 2013, the OCRPS shall be optionally convertible, at sole discretion of the issuer company, at any time in one or more tranches within a period not exceeding 20 years from the date of allotment at the price which shall be the face value of the equity shares of the issuer company.

Subject to the provisions of the Companies Act 2013, the OCRPS shall be redeemable, at cash, on the expiry of 20 years from the date of allotment, at the lower of either (i) an appropriate discount to the fair value of the equity shares (on the date of such redemption) of the issuer company, assuming conversion, OR (ii) issue price of OCRPS (including securities premium, if any).

v **Details of shareholders holding more than 5% share capital**

Name of the preference shareholder	31 March 2020	31 March 2019
	Number of shares	Number of shares
Indiabulls Properties Private Limited	425,000,000	425,000,000
Indiabulls Real Estate Company Private Limited	-	623,280,000

vi **Aggregate number of preference shares issued for consideration other than cash**

No preference shares have been issued for consideration other than cash during the period of five years immediately preceding 31 March 2020.

vii **Aggregate number of preference shares bought back**

No preference shares have been bought back during the period of five years immediately preceding 31 March 2020.

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 22		
Other equity		
Reserves and surplus		
General reserve	53,312.65	53,312.65
Capital reserve	27,720.50	27,720.50
Debenture redemption reserve	32,375.04	32,375.04
Capital redemption reserve	2,200.92	2,200.92
Share options outstanding account	814.85	2,113.86
Securities premium	538,361.07	534,903.32
Retained earnings	(327,942.04)	(342,249.63)
Other comprehensive income		
Fair valuation of equity instruments	(31,520.36)	(28,262.11)
Net investment hedge reserve	-	2,577.99
Foreign currency translation reserve	8,879.61	1,305.86
	304,202.24	285,998.40

Nature and purpose of other reserves**General reserve**

The Holding Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Capital reserve

The Holding Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

Debenture redemption reserve

The Holding Company and its subsidiaries (wherever debenture balances are outstanding) are required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Capital redemption reserve

The same has been created in accordance with provisions of the Companies Act, 2013 for the buy back of equity shares from the market.

Share options outstanding account

The reserve is used to recognized the expense related to stock options issued to employees under Holding Company's employee stock option plans.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 23		
A Borrowings - non-current		
Secured loans		
Debentures		
Non-convertible debentures	97,942.85	173,185.96
Less: current maturities of non-current borrowings (refer note 28)	(51,741.34)	(72,358.36)
	46,201.51	100,827.60
Bonds		
Non-convertible bonds	34,192.33	-
Less: current maturities of long-term borrowings (refer note 28)	(1,234.00)	-
	32,958.33	-
Term loans		
From banks	137,784.63	278,741.25
Less: current maturities of non-current borrowings (refer note 28)	(118,032.51)	(39,037.89)
	19,752.12	239,703.36
Vehicle loans		
From banks	-	8.37
Less: current maturities of non-current borrowings (refer note 28)	-	(8.37)
	-	-
	98,911.96	340,530.96

(i) Repayment terms (including current maturities) and security details for term loan from non-convertible debentures:

Particulars	Security	Maturity date	31 March 2020 ₹ in lakhs	31 March 2019 ₹ in lakhs
1 190 Redeemable non-convertible debentures issued on 9 September 2016 for ₹ 1,900 lakhs @ 9.85% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	8 July 2022	1,886.50	1,881.46
2 250 Redeemable non-convertible debentures issued on 7 September 2016 for ₹ 2,500 lakhs @ 9.80% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	7 July 2022	2,480.60	2,473.34
3 300 Redeemable non-convertible debentures issued on 16 August 2016 for ₹ 3,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	16 June 2022	2,966.42	2,953.57
4 200 Redeemable non-convertible debentures issued on 18 July 2016 for ₹ 2,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	18 May 2022	1,975.82	1,966.03
5 250 Redeemable non-convertible debentures issued on 12 July 2016 for ₹ 2,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	12 May 2022	2,469.78	2,457.53
6 150 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,481.87	1,474.52
7 160 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,600 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,580.66	1,572.82
8 750 Redeemable non-convertible debentures issued on 29 June 2016 for ₹ 7,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	29 April 2022	7,406.01	7,367.55
9 4,800 Redeemable non-convertible debentures issued on 27 June 2018 for ₹ 48,000 lakhs @ 9.50% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Gurugram held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	25 June 2021 and 26 June 2020	47,773.47	47,465.26
10 100 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 1,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	993.06	986.60
11 200 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 2,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	1,979.07	1,959.64
12 150 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 1,500 lakhs @ 11.50% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu	21 August 2020	-	1,477.53
13 200 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 2,000 lakhs @ 11.50% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company's and its certain subsidiary companies by way of pari-passu charge	21 August 2020	-	1,983.82
14 5,000 Redeemable non-convertible debentures issued on 29 June 2017 for ₹ 50,000 lakhs @ 9.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Gurugram and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	29 June 2020 and 28 June 2019	24,949.59	49,666.29

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	Particulars	Security	Maturity date	31 March 2020 ₹ in lakhs	31 March 2019 ₹ in lakhs
15	250 Redeemable non-convertible debentures issued on 27 September 2018 for ₹ 2,500 lakhs @ 10.25% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Mule-Alibaug held and owned by the Holding Company's and its certain subsidiary companies by way of pari-passu charge	28 September 2019	-	2,500.00
16	9,000 Redeemable non-convertible debentures issued on 6 June 2014 for ₹ 90,000 lakhs @ 11.10% of face value ₹ 1,000,000 each **	Secured by mortgage on immovable properties situated at Gurugram, Panvel, Chennai, Savroli and Chawne held and owned by the Holding Company and its certain subsidiary companies	6 June 2019 and 6 June 2018	-	45,000.00

** These non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited and remaining non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.

(ii) Repayment terms (including current maturities) and security details for non-convertible bonds :

Particulars	Maturity date	Security details	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Redeemable non-convertible bonds issued on 31 December 2019 by as subsidiary company for ₹ 35,000.00 lakhs of face value ₹ 10 lakhs each.^^ This carries interest rate of 10.85%.	Repayable in 35 monthly installments of ₹ 135.00 lakhs starting on 31 January 2020 and bullet payment of ₹ 30,275.00 lakhs at the end of 36 months.	Refer note 1 Below	34,192.33	-

^^ These non-convertible bonds are listed on the Wholesale Debt Market segment of BSE Limited.

Note 1

Details of security offered by such subsidiary company:

(i) First ranking and exclusive mortgage on the -

a) Unsold units of the project;

b) Chargeable receivables and the insurance policies;

c) Chargeable account assets;

d) Inter-corporate deposits (current loans);

e) Floor space index (FSI), balance TDR/Fungible FSI to be consumed on the project, and other rights, title, benefit and interest arising out of or loaded over/ in respect of the project property, both present and future, pursuant to or in connection with the construction and development of the project;

f) Present and future fixed movable assets of the Company pertaining to the Project; and

g) All present and future current assets of the said subsidiary company pertaining to the Project, including without limitation the subsidiary company's cash in hand, stocks, raw materials, book debts, inventories, claims, bills, outstanding monies receivables, all investments, other receivables of the subsidiary company;

(collectively called the "Company Mortgaged Properties");

(ii) First ranking and exclusive mortgage on the subsidiary company's additional mortgage properties;

(iii) First ranking and exclusive charge by way of hypothecation on Indiabulls Distribution Services Limited ("IDSL") hypothecated properties (i.e. all right, title, benefits, claims and demands, present and future, whatsoever of IDSL, in, to, under or in respect of, the IDSL subordinated debt and the IDSL transaction documents; and IDSL trade receivables); however these properties have been cancelled in the month of March 2020;

(iv) First ranking and exclusive charge by way of hypothecation on corporate guarantor (Holding Company) subordinated debt hypothecated properties; and

(v) First ranking and exclusive pledge over the equity shares and other securities of the said subsidiary company constituting 100% of the total issued and paid up share capital of the subsidiary company along with voting rights (on a fully diluted basis), but excluding 6 equity shares held by nominees of the corporate guarantor ("pledged securities").

(iii) Repayment terms (including current maturities) and security details for term loan from banks:

(a) During the year ended 31 March 2020, the Holding Company has availed term loan of ₹ 10,400.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of registered mortgage over 19 identified unsold properties in Tower - A of the project "BLU Estate and Club" (project in one of the subsidiary company) along with proportionate undivided share of land, common area, common amenities and car parks pertaining to said properties. The loan is repayable in 12 equal monthly installments post the principal moratorium period of 6 months. The rate of interest as on 31 March 2020 is 11.50% p.a. (RBL Bank's MCLR plus spread). The outstanding balance as at 31 March 2020 is ₹ 7,715.63 lakhs (31 March 2019: ₹ Nil).

(b) During the year ended 31 March 2019, the Holding Company has availed term loan of ₹ 100,000.00 lakhs from Yes Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at various locations and owned by certain subsidiary companies. The loan is repayable in three installments at 30%, 35% and 35% at the end of 21st month, 24th month and 27th month from the date of first disbursement. The rate of interest as on 31 March 2020 is 10.90% p.a. (Yes Bank's MCLR plus spread). The outstanding balance as at 31 March 2020 is ₹ 99,350.46 lakhs (31 March 2019: ₹ 98,349.92).

(c) During the year ended 31 March 2018, the Holding Company has availed term loan of ₹ 10,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at Savroli and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement. The rate of interest as on 31 March 2020 is 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2020 is ₹ 4,987.05 lakhs (31 March 2019: ₹ 7,961.72 lakhs).

(d) During the year ended 31 March 2018, the Holding Company has availed term loan of ₹ 5,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of equitable mortgage on immovable properties located at Gurugram and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement. The rate of interest as on 31 March 2020 is 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2020 is ₹ 2,493.68 lakhs (31 March 2019: ₹ 3,980.95 lakhs).

(e) During the year ended 31 March 2015, the Holding Company has availed term loan of ₹ 28,000.00 lakhs from Axis Bank Limited and interest payable monthly, primarily secured by mortgage on immovable properties situated at Savroli held and owned by the certain subsidiary companies. The loan is further secured by collateral security on immovable properties of certain subsidiary companies. Additionally, the aforesaid term loan is also secured by way of pari-passu charge on all the project related receivables, if any, of its certain subsidiary companies. The loan is repayable in 16 equal quarterly installments after moratorium period of two years from date of first disbursement. The rate of interest as on 31 March 2020 is 9.55% p.a. (Axis Bank's six month MCLR plus spread). The outstanding balance as at 31 March 2020 is ₹ 3,485.69 lakhs (31 March 2019: ₹ 10,403.44 lakhs).

(f) During the financial year ended 31 March 2017, one of the subsidiary company have availed ₹ 10,000.00 lakhs term loan from Ratnakar Bank limited secured against immovable properties both present and future, exclusive and/or Pari passu mortgage/assignment by way of security of all rights, title, interest, claims, benefits and demands under the project documents. Loan was further secured by irrevocable and repayable in 6 fixed half yearly installments from the date of disbursement. The outstanding balance as at 31 March 2020 is ₹ Nil lakhs (31 March 2019 ₹ 3,326.31 lakhs)

(g) During the year ended 31 March 2019, one of the subsidiary company entered into borrowing arrangement to finance the construction and development of the real estate project by signing a construction term loan arrangement with Indusind Bank Limited ("IndusInd") for ₹ 20,000.00 lakh as per under mentioned table. The rate of interest as on 31 March 2020 is 9.80% p.a. (31 March 2019 is 9.80% p.a.)

Particulars#	(₹ in lakhs)			
	Year	Sanction	Drawdown	Outstanding
Indusind Bank	31 March 2020	20,000.00	20,000.00	19,752.12
	31 March 2019	20,000.00	20,000.00	20,000.00

The Loan are secured by Pari-passu charge (along with Bank of India) by way of registered mortgage of all buildings & structures, title and rights of the borrower for residential project "Indiabulls Greens and Park" having saleable area of 87,31,226 sq.ft. First pari passu charge (along with bank of India) by way of hypothecation on the project sold & unsold receivables for the residential project "Indiabulls Green and Park" having saleable area of 87,31,226 sq.ft. and the borrower will continue, establish and maintain an escrow account with bank of India till repayment of their facility. Term Loan of ₹ 20,000.00 Lakh shall be repayable in 8 structured quarterly instalments starting from the end of 33 months from the date of disbursement of loan.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

- (h) During the year ended 31 March 2018, one of the subsidiary company entered into borrowing arrangement to finance the construction and development of the real estate project by signing a construction Term Loan arrangement with Bank of India Limited ("BOI") for ₹ 50,000.00 lakh as per under mentioned table. The rate of interest as on 31 March 2020 is 9.50% p.a. (31 March 2019 is 9.15% p.a.)

(₹ in lakhs)				
Particulars#	Year	Sanction	Drawdown	Outstanding
Bank of India	31 March 2020	-	-	-
	31 March 2019	50,000.00	30,000.00	20,142.67

The Loan are secured by Pari-passu first charge on all the present and future movable fixed assets and immovable property of the project in proportion to the unsold area of 12.85 Lakh square feet (as on 14 September 2017) together with the saleable FSI and present/future transferable development right to be constructed on all that pieces and parcels of land. Pari-passu first charge by way of hypothecation of all current assets of the project. Pari-passu first charge/assignment of all revenues receivables and escrow account of the project to be maintained with the Bank. Assignment /Agreement to assign by way of charge in favor of security trustee, all the rights, titles, benefit and interest of the project from all contract, Insurance, licenses in, to, and under all assets of the project and project documents (including but not limited to the right to use agreement, etc.). Term Loan of ₹ 30,000.00 lakhs shall repayable in 12 structured instalments from the last day of the quarter from the disbursement of loan. The same has been repaid in its entirety during the year.

- (i) During the year ended 31 March 2018, one of the subsidiary company has availed ₹ 10,000.00 lakhs term loan from Ratnakar Bank limited secured against immovable properties both present and future, exclusive and/or pari passu mortgage/assignment by way of security of all rights, title, interest, claims, benefits and demands under the project (One Indiabulls Commercial, sector 104, Gurugram) documents. Loan repayable in 9 fixed quarterly installments from the date of disbursement. The rate of interest as on 31 March 2019 was 11.00% p.a. The outstanding balance as at 31 March 2020 is ₹ Nil (31 March 2019 ₹ 8,928.57 lakhs) as subsidiary company is sold off during the year.
- (j) During the year ended 31 March 2019, one of the subsidiary company had availed GBP 200 million secured term loan from Bank of Baroda/Canara bank to refinance existing indebtedness in respect of 22 and 23 Hanover Square, London. The repayment was due on 31 December 2021. The rate of interest for the year ending 31 March 2020 was LIBOR plus 3% margin (31 March 2019 was LIBOR plus 3% margin). The outstanding balance as at 31 March 2020 is ₹ Nil (31 March 2019 ₹ 50,909.92 lakhs) as subsidiary company is sold off during the year .
- (k) During the year ended 31 March 2019, one of the subsidiary company had availed GBP 625 million secured term loan from starwood European finance partners limited to refinance existing indebtedness in respect of 22 and 23 Hanover Square, London. The repayment was due on 31 December 2021. The rate of interest as on 31 March 2019 was 8.50% Margin. The outstanding balance as at 31 March 2020 is ₹ Nil (31 March 2019 ₹ 54,737.74 lakhs) as subsidiary company is sold off during the year .

(iv) Repayment terms (including current maturities) and security details for vehicle loans:

During the year ended 31 March 2015, the Company has availed vehicle loan of ₹ 60.00 lakhs from Axis Bank Limited and interest payable monthly, secured by way of hypothecation on vehicle purchased. These loan is repayable in 60 equated monthly installments starting from 15 November 2014. The outstanding balance as at 31 March 2020 is ₹ Nil (31 March 2019: ₹ 8.37 lakhs).

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
B Borrowings - current		
Unsecured loans		
Commercial paper*		
Subscribed by banks	-	5,000.00
Subscribed by others	-	96,500.00
	-	101,500.00
*Maximum balance outstanding during the year is ₹ 101,500.00 lakhs (31 March 2019: ₹ 120,000.00 lakhs).		
Note - 24		
A Lease liabilities - non-current		
Lease liabilities (Refer note 43)	2,376.02	-
	2,376.02	-
B Lease liabilities - current		
Lease liabilities (Refer note 43)	1,414.06	-
	1,414.06	-
Note - 25		
A Trade payables - non current		
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	11,764.29
	-	11,764.29
B Trade payables - current		
(i) Total outstanding dues of micro enterprises and small enterprises*	3,716.42	4,632.57
	3,716.42	4,632.57

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2020 and 31 March 2019 :

Particulars	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
i) the principal amount remaining unpaid to any supplier as at the end of each accounting year;	3,716.42	4,632.57
ii) Interest due thereon	-	-
iii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 25 (cont'd)		
B Trade payables - current		
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to others	24,705.26	66,476.98
Retention money	16,306.53	18,651.32
	41,011.79	85,128.30
Note - 26		
A Provisions - non-current		
Provision for employee benefits:		
Gratuity (refer note 47)	1,162.18	1,162.18
Compensated absences (refer note 47)	410.01	429.11
	1,572.19	1,591.29
B Provisions - current		
Provision for claims and compensation	7,156.53	-
Provision for employee benefits:		
Gratuity (refer note 47)	62.19	113.25
Compensated absences (refer note 47)	20.72	42.16
	7,239.44	155.41
Note - 27		
A Other non-current liabilities		
Deferred revenue	10,685.41	10,822.64
Advance received for land	6,501.56	6,622.48
	17,186.97	17,445.12
B Other current liabilities		
Payable to statutory and government authorities	3,151.43	1,538.83
Advance from customers	324,105.59	422,062.24
Deferred revenue	188.82	137.73
Liability against development rights	5,600.00	10,275.00
Other advances#	9,000.00	6,600.00
Other liabilities	2,105.75	1,628.74
	344,151.59	442,242.54
# In the current year, the balance of ₹ 9,000 lakhs represents advance received against the assets held for sale. In the previous year, the balance of ₹ 6,600 lakhs represents advance received for proposed business transaction.		
Note - 28		
Other financial liabilities - current		
Current maturities of long-term borrowings		
Non-convertible debentures	51,741.34	72,358.36
Bonds	1,234.00	-
Term loans	118,032.51	39,037.89
Vehicle loans	-	8.37
Interest accrued on borrowings	2,561.49	2,380.82
Deposits lying with solicitor against property sold	-	4,192.08
Unpaid dividend on equity shares*	38.75	38.94
Security deposits from customers	84.39	82.38
Book overdraft^	63,253.26	-
Earnest money deposit	-	37,500.00
Payable for investment**	5,109.00	-
Advance refundable to customers\$	1,062.24	809.79
Expenses payable	9,076.21	9,410.38
	252,193.19	165,819.01
*Not due for credit to 'Investor Education and Protection Fund'		
^ Subsequent to the year-end, this has been adjusted with the loan money received on 3 April 2020 and 8 April 2020. This loan was pre-approved before the year-end.		
**This is payable against purchase of an investment		
\$On account of cancellation of properties.		
Note - 29		
Redeemable preference shares		
Redeemable preference shares	-	45,000.00
	-	45,000.00
Note : During the previous year ended 31 March 2019, one of the subsidiary company issued 0.001% Redeemable preference shares (RPS) of face value of ₹ 10 each fully paid up. The payment of dividend shall be on non cumulative basis. Subject to the provisions of the Companies Act 2013, the RPS shall be redeemable, at sole discretion of the issuer company, at any time in one or more tranches within a period not exceeding 20 years from the date of allotment.		
In pursuant to the Scheme of Arrangement (merger), the Holding Company has acquired these redeemable preference shares amounting to ₹ 45,000.00 lakhs and accordingly eliminated in consolidated financial statements. Refer note 58 for details.		
Note - 30		
Current tax liabilities (net)		
Provision for income tax, net of advance tax and tax deducted at source	1,991.54	2,469.20
	1,991.54	2,469.20

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 31		
Revenue from operations		
Revenue from real estate properties (refer note 57)	78,623.45	452,111.61
Revenue on account of settlement of existing project (refer note 62)	13,707.00	-
Revenue from real estate properties advisory and management services	1,170.83	1,919.61
Revenue from sale of land	-	306.60
Rental and land lease	151.15	1,695.15
Revenue from maintenance services	-	474.44
Revenue from construction contracts	20,043.77	16,586.83
Other operating income		
Revenue from sale of commercial undertaking (refer note 50(iv))	103,500.00	-
Profit on loss of control in subsidiaries and gain on fair valuation of remaining stake (refer note 51(iv))	-	13,390.02
Profit on sale of stake in joint ventures with underlying real estate business (refer note 50(ii))	78,054.65	-
Profit on sale of stake in subsidiaries with underlying real estate business (refer note 50 and 51)	4,182.42	1,414.67
Net gain on settlement through merger scheme and fair value impact of assets held for sale (refer note 58)	21,406.90	-
Profit on sale of investments in entity carrying out real estate business	5,000.00	4,448.78
Income from advisory services	4.72	115.20
Interest income on delayed payments from customers	219.93	303.29
Service receipts and forfeiture income	1,013.60	1,622.69
	327,078.42	494,388.89
Note - 32		
Other income		
Interest income on loans, bank deposits and others	11,390.20	4,268.30
Interest income on other amortised cost financial assets	494.39	1,457.26
Profit on sale of investments in mutual funds (net)	733.77	1,624.48
Foreign exchange gain (net)	3,498.48	-
Amortisation of derivative balance (difference between forward and spot element)	154.67	664.43
Excess provision/liabilities written back	322.77	737.19
Modification gain on de-recognition of lease contracts	13.73	-
Miscellaneous income	377.13	439.21
	16,985.14	9,190.87
Note - 33		
Cost of revenue		
Cost of land, developed properties and others	133,804.83	202,619.70
Decrease in inventory of land and real estate properties#		
Opening stock	984,886.43	1,136,118.04
Impact on inventory on account of sale of subsidiaries	(228,262.79)	-
Closing stock	(705,635.33)	(984,886.43)
	50,988.31	151,231.61
	184,793.14	353,851.31
#this includes impairment of inventories amounting to ₹ 13,569.67 lakhs (31 March 2019 ₹ 72,380.00 lakhs)		
Note - 34		
Employee benefits expense		
Salaries and wages	11,100.31	13,328.89
Contribution to provident fund and other funds	124.20	67.88
Staff welfare expenses	70.58	100.34
Share based payment expense (refer note 48)	86.68	351.31
	11,381.77	13,848.42
Note - 35		
Finance costs		
Interest expenses	47,455.65	45,966.08
Interest on lease liabilities	484.10	-
Interest on income taxes	-	165.37
Other borrowing costs	176.44	300.24
	48,116.19	46,431.69
Note - 36		
Depreciation and amortization expense		
Depreciation on property, plant and equipment	1,153.17	1,215.92
Depreciation on investment property	73.91	499.40
Depreciation on right of use assets	1,808.61	-
Amortization of intangible assets	40.51	29.24
	3,076.20	1,744.56

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 37		
A. Impairment losses on financial assets		
Loans written off	8,395.48	-
	8,395.48	-
B. Other expenses		
Rent expenses	146.10	2,145.67
Rates and taxes	932.88	1,263.49
Legal and professional expenses	4,722.24	3,459.28
Amounts written off	355.46	-
Advertisement expenses	725.26	3,722.20
Electricity and water charges	102.95	250.55
Communication expenses	125.50	132.73
Director sitting fees	39.51	23.00
Insurance expenses	92.49	121.70
Printing and stationery	94.98	87.40
Traveling and conveyance expenses	1,362.00	1,867.57
Repairs and maintenance expenses		
Vehicles	98.97	146.20
Buildings	379.33	461.49
Others	680.65	591.70
Security expenses	61.55	31.65
Membership and subscription fees	18.50	15.40
Loss on sale of property, plant and equipment (net)	14.07	463.75
Corporate social responsibility expenses	1,033.00	452.69
Brokerage and marketing expenses	1,699.24	1,535.73
Claims and compensations	18,992.08	5,003.32
Software expenses	18.13	13.64
Donations\$	7,500.31	1.75
Investments written off*	-	115.00
Foreign exchange loss (net)	117.32	277.28
Impairment in other current assets#	1,132.77	-
Indemnity charges^	1,654.12	-
Miscellaneous expenses	344.82	255.72
	42,444.23	22,438.91

* In previous year, the amount is on account of few wholly owned subsidiaries of the Group being voluntarily dissolved and struck off from the register of companies.

Includes amount ₹ 875.00 which pertain to provision recognised for non-recoverable/ adjustable goods and services tax input credit.

\$ The Group has contributed ₹ 7,500.31 lakhs (31 March 2019 ₹ nil) as political contribution via an electoral trust.

^ In the earlier years, the Holding Company had sold one of the subsidiary and the underlying agreement prescribed to indemnify the buyer for any liability arising out of all the litigation outstanding at the time of the sale. With this background, during the current year, the Holding Company has made certain outflows which are disclosed as indemnity charges.

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 38		
Tax expenses		
Current tax (including earlier years) (refer note 55)	5,032.72	412.08
Deferred tax charge	20,623.98	33,533.83
Income tax expense reported in the statement of profit and loss	25,656.70	33,945.91

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. Accordingly, the Holding Company and certain subsidiaries have re-measured its deferred tax assets/liabilities as at 31 March 2020 basis the rate prescribed in the aforesaid section.

The major components of expected tax expense based on the domestic effective tax rate of the Group at 25.168% (most of the subsidiaries in the Group has this tax rate) and the reported tax expense in statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations (inclusive of loss/profit from joint ventures)

Accounting profit before income tax

At statutory income tax rate of 25.17% (31 March 2019: 34.944%)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of exempted income	(5,817.27)	(13,030.24)
Tax impact of indexation benefit under Income Tax Act, 1961	(32,747.73)	(5,116.24)
Deferred tax impact on 'Reversal of revenue and related costs as per Ind AS 115'	(6,399.02)	(29,911.38)
Tax impact of expenses which will never be allowed	2,010.25	504.75
Tax impact of unrecognised deferred tax on unabsorbed business and capital losses	49,947.06	49,368.96
Tax impact of earlier year items (refer note 55)	4,365.01	2.44
Others	2,757.22	2,782.23
Income tax expense	25,656.70	33,945.91

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 39		
Earnings per share (EPS)		
The Group's Earnings per Share (EPS) is determined based on the net profit attributable to the shareholders' of the Holding Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. Weighted average number of equity shares includes the impact of buy back of equity shares during the year.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Profit attributable to equity shareholders of the Holding Company (₹ in lakhs)	12,069.23	50,414.57
Nominal value of equity share (₹)	2.00	2.00
Total number of equity shares outstanding at the beginning of the year	450,680,289	474,674,139
Total number of equity shares outstanding at the end of the year	454,663,876	450,680,289
Weighted average number of equity shares for basic earning per share	453,834,397	456,666,283
Add: Share based options*	-	-
Weighted average number of equity shares adjusted for diluted earning per share	453,834,397	456,666,283
Earnings per equity share:		
Basic	2.67	11.04
Diluted	2.67	11.04

*Potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.

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Note - 40

Fair value measurement

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value – recurring fair value measurements

(₹ in lakhs)

31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Unquoted equity instruments	-	-	3,171.24	3,171.24
Optionally convertible preference shares	-	-	317.70	317.70
Mutual funds	157.25	-	-	157.25
Financial instruments at FVOCI				
Quoted equity instruments	3,258.24	-	-	3,258.24
Total financial assets	3,415.49	-	3,488.94	6,904.43

31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Unquoted equity instruments	-	-	3,182.27	3,182.27
Optionally convertible preference shares	-	-	345.96	345.96
Mutual funds	159.12	-	-	159.12
Financial instruments at FVOCI				
Quoted equity instruments	6,516.49	-	-	6,516.49
Total financial assets	6,675.61	-	3,528.23	10,203.84

(iii) Valuation process and technique used to determine fair value

Financial assets

a) Traded (market) price basis recognised stock exchange for quoted equity instruments.

b) Use of net asset value for mutual funds on the basis of the statement received from investee party.

c) For unquoted equity instruments and optionally convertible preference shares, the Group has used adjusted net asset value method which factors fair value of assets and liabilities of investee entity with an adjustment of factors such as lack of liquidity, time elapsed from date of investment etc.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value (₹ in lakhs)		Significant unobservable inputs	Data inputs		Sensitivity analysis
	31 March 2020	31 March 2019		31 March 2020	31 March 2020	
Unquoted equity instrument - adjusted net asset value method	3,171.24	3,182.27	Liquidity factor	40%	40%	Change of +/-1% in liquidity factor has following impacts - 31 March 2020 +1% loss of ₹ (31.71) lakhs -1% gain of ₹ 31.71 lakhs 31 March 2019 +1% loss of ₹ (31.82) lakhs -1% gain of ₹ 31.82 lakhs
Optionally convertible preference shares	317.70	345.96	Liquidity factor	40%	40%	Change of +/-1% in liquidity factor has following impacts - 31 March 2020 +1% loss of ₹ (3.18) lakhs -1% gain of ₹ 3.18 lakhs 31 March 2019 +1% loss of ₹ (3.46) lakhs -1% gain of ₹ 3.46 lakhs

(iv) The following table presents the changes in level 3 items for the year ended 31 March 2020 and 31 March 2019:

(₹ in lakhs)

Particulars	Unquoted equity instrument	Optionally convertible preference shares
As at 1 April 2018	3,592.16	335.00
Gain recognised on account of fair valuation of investments in statement of profit and loss	141.33	10.96
Profit on sale of investments	4,448.78	-
Amount received on disposal of investments	(5,000.00)	-
As at 31 March 2019	3,182.27	345.96
Loss recognised on account of fair valuation of investments in statement of profit and loss	(11.03)	(28.26)
Profit on sale of investments	5,000.00	-
Amount received on disposal of investments	(5,000.00)	-
As at 31 March 2020	3,171.24	317.70

Note - 41
Financial risk management

i) Financial instruments by category

(₹ in lakhs)						
	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial assets						
Investments						
Equity instruments#	3,171.24	3,258.24	-	3,182.27	6,516.49	-
Optionally convertible preference shares*	317.70	-	-	345.96	-	-
Mutual funds*	157.25	-	-	159.12	-	-
Bonds	-	-	6,282.66	-	-	6,279.67
Trade receivables	-	-	8,015.01	-	-	26,967.50
Loans	-	-	90,963.50	-	-	52,692.05
Cash and cash equivalents	-	-	4,817.43	-	-	60,291.41
Other bank balances	-	-	32,706.21	-	-	13,488.68
Security deposits	-	-	2,864.56	-	-	3,592.91
Derivative assets	-	-	-	3,242.41	-	-
Other financial assets	-	-	162,021.56	-	-	21,613.78
Total financial assets	3,646.19	3,258.24	307,670.93	6,929.76	6,516.49	184,926.00

(₹ in lakhs)						
	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial liabilities						
Borrowings (including interest accrued)	-	-	272,481.30	-	-	555,816.40
Lease liabilities	-	-	3,790.08	-	-	-
Trade payables	-	-	44,728.21	-	-	101,525.16
Security deposits	-	-	84.39	-	-	82.38
Redeemable preference shares	-	-	-	-	-	45,000.00
Other financial liabilities	-	-	78,539.46	-	-	51,951.19
Total financial liabilities	-	-	399,623.44	-	-	754,375.13

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

ii) Fair value of instruments measured at amortised cost

(₹ in lakhs)						
Particulars	Level	31 March 2020		31 March 2019		
		Carrying value	Fair value	Carrying value	Fair value	
Financial assets						
Investment in bonds	Level 3	6,282.66	6,282.66	6,279.67	6,279.67	
Security deposits	Level 3	1,853.65	1,853.65	2,387.36	2,387.36	
Other financial assets	Level 3	5,292.79	5,292.79	20,680.56	20,680.56	
Total financial assets		13,429.10	13,429.10	29,347.59	29,347.59	
Financial liabilities						
Borrowings*	Level 3	98,911.96	98,911.96	340,530.96	340,530.96	
Trade payables	Level 3	-	-	11,764.29	11,764.29	
Total financial liabilities		98,911.96	98,911.96	352,295.25	352,295.25	

The above disclosures are presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, trade payables, other current financial liabilities and redeemable preference shares) represents the best estimate of fair value.

* This includes non-convertible redeemable debentures and non-convertible redeemable bonds issued by the Holding Company and one of the subsidiary companies respectively which are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures and bonds represents the best estimate of fair value.

iii) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The board of directors has overall responsibility for the establishment and oversight of the risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortized cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/Life time expected credit loss
B: High credit risk	Trade receivables	Life time expected credit loss or fully provided for

In respect of trade receivables, the Group recognises a provision for lifetime expected credit loss.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with highly rated banks and financial institution. Loans and other financial assets measured at amortized cost includes long-term bank deposits, security deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. Credit risk is considered low because the Company is in possession of the underlying asset. Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Assets under credit risk –				(₹ in lakhs)	
Credit rating	Particulars	31 March 2020	31 March 2019		
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	307,861.22	188,360.57		
C: High credit risk	Trade receivables	33.04	33.04		

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

ii) *Concentration of financial assets:*

The Group's principal business activities are development of real estate properties and rental income. Loans and other financial assets majorly represents money advanced for business purposes. The Group's exposure to credit risk for trade receivables is presented below.

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
Real estate project receivables	8,015.01	26,022.39
Rental receivables	-	945.11

b) **Credit risk exposure**

Provision for expected credit losses

The Group provides for 12 month expected credit losses or lifetime expected credit losses for following financial assets –

As at 31 March 2020 (₹ in lakhs)			
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments (bonds)	6,282.66	-	6,282.66
Trade receivables	8,048.05	33.04	8,015.01
Cash and cash equivalents	4,817.43	-	4,817.43
Other bank balances	32,706.21	-	32,706.21
Loans	90,963.50	-	90,963.50
Security deposit	2,864.56	-	2,864.56
Other financial assets	162,021.56	-	162,021.56

As at 31 March 2019 (₹ in lakhs)			
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments (bonds)	6,279.67	-	6,279.67
Trade receivables	27,000.54	33.04	26,967.50
Cash and cash equivalents	60,291.41	-	60,291.41
Other bank balances	13,488.68	-	13,488.68
Loans	52,692.05	-	52,692.05
Security deposit	3,592.91	-	3,592.91
Other financial assets	21,613.78	-	21,613.78

Expected credit loss for trade receivables under simplified approach

Real estate business receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the Group's receivables from real estate business does not have any expected credit loss as transfer of legal title of properties sold is generally passed on to the customer, once the Group receives the entire consideration and hence, these are been considered as low credit risk assets. Further, during the periods presented, the Group has made no write-offs of receivables.

Rental business receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the receivables from rental business has low credit risk as the Group holds security deposits against the premises given on rentals. Further, historical trends indicate some shortfall between such deposits held by the Group and amounts due from customers. Hence, with the historical loss experience and forward looking information, the Group has provided expected credit loss in relation to receivables from rental business. Further, during the periods presented, the Group has made no write-offs of receivables.

(₹ in lakhs)	
Reconciliation of loss allowance	Trade receivables
Loss allowance as on 1 April 2018	33.04
Allowance for expected credit loss	-
Loss allowance on 31 March 2019	33.04
Allowance for expected credit loss	-
Loss allowance on 31 March 2020	33.04

(B) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lakhs)					
31 March 2020	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings (including interest accrued)	173,569.34	30,120.00	68,791.96	-	272,481.30
Lease liabilities	1,918.62	2,109.40	440.91	-	4,468.93
Trade payable	44,728.21	-	-	-	44,728.21
Security deposits	84.39	-	-	-	84.39
Other financial liabilities	78,539.46	-	-	-	78,539.46
Total	298,840.02	32,229.40	69,232.87	-	400,302.30

(₹ in lakhs)					
31 March 2019	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings (including interest accrued)	215,424.61	169,187.16	133,805.68	37,398.95	555,816.40
Trade payable	89,760.87	8,571.43	2,142.86	1,050.00	101,525.16
Security deposits	82.38	-	-	-	82.38
Redeemable preference shares	45,000.00	-	-	-	45,000.00
Other financial liabilities	51,951.19	-	-	-	51,951.19
Total	402,219.05	177,758.59	135,948.54	38,448.95	754,375.12

(C) Market risk

(i) Interest rate risk

The Group fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
Variable rate borrowing	97,942.85	224,074.93
Fixed rate borrowing	171,976.96	329,360.65
Total borrowings	269,919.81	553,435.58

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
Interest rates – increase by 1% (31 March 2019 : 1%)	979.43	2,240.75
Interest rates – decrease by 1% (31 March 2019 : 1%)	(979.43)	(2,240.75)

(ii) Foreign exchange risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group does not hedge its foreign exchange receivables/payables.

Foreign currency risk exposure:

(₹ in lakhs)			
Particulars	Currency	31 March 2020	31 March 2019
Trade payables	USD	-	2.49
Trade payables	EURO	10.74	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in lakhs)					
Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
Trade payables	USD	-	0.02	-	(0.02)
Trade payables	EURO	0.11	-	(0.11)	-

(iii) Price risk

The Group exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group profit for the periods -

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
Price sensitivity		
Mutual fund		
Price increase by (2%) - FVTPL instrument	3.15	3.18
Price decrease by (2%) - FVTPL instrument	(3.15)	(3.18)
Unquoted equity instruments		
Price increase by (2%) - FVTPL instrument	63.42	63.65
Price decrease by (2%) - FVTPL instrument	(63.42)	(63.65)
Optionally convertible preference shares		
Price increase by (2%) - FVTPL instrument	6.35	6.92
Price decrease by (2%) - FVTPL instrument	(6.35)	(6.92)
Quoted equity instruments		
Price increase by (10%) - FVOCI instrument	325.82	651.65
Price increase by (10%) - FVOCI instrument	(325.82)	(651.65)

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Note - 42

(I) Revenue related disclosures

A Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in lakhs)		
Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Revenue from contracts with customers		
(i) Revenue from operations		
(a) Revenue from real estate properties	78,623.45	452,111.61
(b) Revenue on account of settlement of existing project	13,707.00	-
(c) Revenue from real estate properties advisory and management services	1,170.83	1,919.61
(d) Revenue from sale of land	-	306.60
(e) Revenue from maintenance services	-	474.44
(f) Revenue from construction contracts (refer note F below)	20,043.77	16,586.83
(ii) Other operating income (advisory services, car parking and forfeiture income)	1,238.25	2,041.18
Total revenue covered under Ind AS 115	114,783.30	473,440.27

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

(₹ in lakhs)		
Particulars	As at 31 March 2020	As at 31 March 2019
Contract liabilities		
Advance from customers	324,105.59	422,062.24
Total contract liabilities	324,105.59	422,062.24
Receivables		
Trade receivables	8,015.01	26,022.39
Total receivables	8,015.01	26,022.39

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

C Significant changes in the contract liabilities balances during the year are as follows:

(₹ in lakhs)		
Particulars	As at 31 March 2020	As at 31 March 2019
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	422,062.24	802,856.90
(Refunds)/additions during the year - net	(7,304.44)	61,881.39
Revenue recognised during the year	(90,652.21)	(442,676.05)
Closing balance	324,105.59	422,062.24

D The aggregate amount of transaction price allocated to the unsatisfied performance obligations as at 31 March 2020 is ₹ 324,105.59 lakhs (31 March 2019 was ₹ 422,062.24 lakhs). This balance represents the advance received from customers (gross) against real estate properties under development. The management expects to further bill and collect the remaining balance of total consideration in the coming years. These balances will be recognised as revenue in future years as per the policy of the Company.

E Reconciliation of revenue from sale of real estate properties and on account of settlement of existing project :

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Contract revenue	96,176.14	463,257.45
Adjustment for:		
- Subvention cost*	(3,845.69)	(11,145.84)
Revenue from sale of real estate properties and on account of settlement of existing project	92,330.45	452,111.61

* Subvention cost represent the expected cash outflow under the arrangement determined basis time elapsed.

F One of the subsidiary company of the group earns revenue from construction contracts. Revenue and related expenditures in respect of short-term works contracts that are entered into and completed during the year are accounted for on accrual basis as they are earned. Revenue and related expenditures in respect of long-term works contracts are accounted for on the basis of 'input method' as the performance obligations are satisfied over time. For the purpose of revenue recognition, as part of the input method, the percentage of completion is arrived basis the cost incurred as compared the total budgeted cost for the contract. In case of cost plus contracts, revenue is recognised as per terms of specific contract, i.e. cost incurred plus an agreed profit margin.

Note – 43

Lease related disclosures

(i) The group as lessee

I Disclosures related to lease for office building

The Group has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group has presented its right-of-use assets in the balance sheet separately from other assets.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

a Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(` in lakhs)	
Particulars	31 March 2020
Short-term leases	146.10

b Total cash outflow for leases for the year ended 31 March 2020 was ` 2,072.95 lakhs.

c Total expense recognised during the year

(` in lakhs)

Particulars	31 March 2020
Interest on lease liabilities	484.10
Depreciation on right of use assets	1,808.61

d Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(` in lakhs)

31 March 2020	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	1,918.62	2,109.40	440.91	-	4,468.93
Interest expense	504.56	62.24	112.05	-	678.85
Net present values	1,414.06	2,047.16	328.86	-	3,790.08

e Bifurcation of lease liabilities at the end of the year in current and non-current

(` in lakhs)

Particulars	31 March 2020
a) Current liability (amount due within one year)	1,414.06
b) Non-current liability (amount due over one year)	2,376.02
Total lease liabilities at the end of the year	3,790.08

f Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	5	1.59 to 2.44	1.98	1	-	5

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
g Impact on transition

- 1 Effective 1 April 2019, the Group has adopted Ind AS 116 "Leases" and applied modified retrospective approach to all lease contracts existing as at 1 April 2019. On transition, the adoption of new standard resulted in recognition of lease liability of ₹ 5,339.90 lakhs and corresponding right of use asset of ₹ 5,566.81 lakhs (excluding the impact of prepaid balance on account of discounting of the security deposits given for such leases amounting to ₹ 170.91 lakhs).
- 2 For contracts in place as at 1 April 2019, Group has elected to apply the definition of a lease from Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17.
- 3 The Group has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 1 April 2019.
- 4 Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Group has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.
- 5 On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.
- 6 The Company has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.
- 7 On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.50%.
- 8 The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at 1 April 2019:

Particulars	(₹ in lakhs)
Total operating lease commitments disclosed as at 31 March 2019	1,369.64
Other adjustments relating to lease commitment disclosures	4,925.77
Operating lease liabilities before discounting	6,295.41
Discounting impact (using incremental borrowing rate)	(955.51)
Operating lease liabilities	5,339.90
Finance lease obligations under Ind AS 17	-
Total lease liabilities recognised under Ind AS 116 at 1 April 2019	5,339.90

II Disclosures related to lease for land

The Group has taken a land on long-term lease for which it has recognised right of use assets. The Group has then sub-leased the said right of use assets under an operating lease and hence, this has been classified as investment property and measured accordingly. The Group has paid the entire consideration for said lease arrangement and hence, there is no lease liabilities. The other relevant information for this lease arrangement is presented below -

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Leasehold land	2	82.75-87.00	84.88	-	-	2

(ii) The group as lessor

One of the subsidiary of the group has leased out land on operating lease basis and lease rent of ₹ 151.15 lakhs (31 March 2019: ₹ 1,695.15 lakhs) in respect of the same has been recognised as income in the statement of profit and loss for the year ended 31 March 2020. The minimum lease rent receivable in respect of such lease is as under:

Particulars	31 March 2020	31 March 2019
Within one year	13.92	13.92
Later than one year but not later than five years	55.70	55.70
Later than five years	1,046.29	1,060.21

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Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020****Note – 44****Capital management**

The Group's objectives when managing capital are:

- To ensure Group's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustment to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group manages its capital requirements by overseeing the following ratios–

Debt equity ratio	(₹ in lakhs)	
	31 March 2020	31 March 2019
Net debt*	226,946.14	459,099.28
Total equity	356,900.26	400,902.71
Net debt to equity ratio	0.64	1.15

* Net debt includes non-current borrowings + current borrowings + current maturities of non-current borrowings - cash and cash equivalents (including bank deposits and other liquid securities).

The Group has access to the undrawn borrowing facilities of ₹ Nil lakhs (31 March 2019: ₹ 20,000.00 lakhs) for the year ended 31 March 2020.

Note – 45**Related party transactions**

Relationship	Name of the related parties
Joint ventures	• Indiabulls Properties Private Limited (from 29 March 2018 and till 25 September 2019) • Indiabulls Real Estate Company Private Limited (from 29 March 2018 and till 25 September 2019) • Opcore Services Limited (formerly Indiabulls Realty Developers Limited) (from 29 March 2018 and till 25 September 2019) • One Qube Realtors Limited (formerly Ashkit Properties Limited) (from 28 December 2018 and till 25 September 2019) • Yashita Buildcon Limited (from 28 December 2018 and till 25 September 2019) • Concepts International India Private Limited (from 28 December 2018 and till 25 September 2019)
Key management personnel	• Mr. Vishal Gaurishankar Damani (Joint Managing Director) • Mr. Gurbans Singh (Joint Managing Director)

a.) Transactions with key management personnel and joint ventures

	(₹ in lakhs)	
Nature of transactions	31 March 2020	31 March 2019
Managerial remuneration		
Mr. Vishal Gaurishankar Damani	285.68	364.39
Mr. Gurbans Singh	624.32	655.58
Share based payment		
Mr. Vishal Gaurishankar Damani	17.78	36.80
Mr. Gurbans Singh	10.66	21.76

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(` in lakhs)

Nature of transactions	31 March 2020	31 March 2019
Other long-term employment benefits - leave encashment		
Mr. Vishal Gaurishankar Damani	6.14	5.37
Mr. Gurbans Singh	1.59	14.22
Post-employment benefits – gratuity		
Mr. Vishal Gaurishankar Damani	1.65	1.50
Mr. Gurbans Singh	0.57	0.93
Loans given/(received back) (net)		
One Qube Realtors Limited (<i>formerly Ashkit Properties Limited</i>)	(3,304.26)	(11,000.00)
Yashita Buildcon Limited	-	(15,616.49)
Indiabulls Properties Private Limited	(3,369.51)	4,344.51
Indiabulls Real Estate Company Private Limited	136.00	-
Interest income		
One Qube Realtors Limited (<i>formerly Ashkit Properties Limited</i>)	246.29	76.02
Indiabulls Properties Private Limited	41.26	791.89
Indiabulls Real Estate Company Private Limited	-	30.18
Income from administration, legal and management fee and marketing commission		
Opcore Services Limited (<i>formerly Indiabulls Realty Developers Limited</i>)	1,144.32	1,906.33
Yashita Buildcon Limited	26.52	13.28
Rent expenses#		
Indiabulls Real Estate Company Private Limited	-	1,528.08
Depreciation on right of use assets		
Indiabulls Real Estate Company Private Limited	730.86	-
Interest on lease liabilities		
Indiabulls Real Estate Company Private Limited	229.60	-
Maintenance expenses		
Indiabulls Real Estate Company Private Limited	94.55	191.01
Electricity expenses		
Indiabulls Real Estate Company Private Limited	43.98	96.14
Expenses paid on behalf of		
Indiabulls Real Estate Company Private Limited	-	27.10
Indiabulls Properties Private Limited	-	76.37
Revenue from construction contracts (excluding taxes)		
Indiabulls Properties Private Limited	7,318.26	9,725.16
Indiabulls Real Estate Company Private Limited	6,802.86	7,100.80
Corporate guarantees (settled)/given		
Indiabulls Properties Private Limited	(256,452.78)	(38,377.53)
Indiabulls Real Estate Company Private Limited	(246,909.35)	27,951.62

Effective 1 April 2019, the Company has applied Ind AS 116 and accordingly, for leases covered under Ind AS 116, "Depreciation on right of use asset" and "Interest on lease liabilities" has been presented as related party transactions. The related rent expense for the year is ` 790.02 lakhs.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

b.) Statement of balances outstanding of key management personnel and joint ventures (₹ in lakhs)

Particulars of balances in respect of related party transactions	31 March 2020	31 March 2019
Advance from customers		
Indiabulls Properties Private Limited	-	90,791.27
Indiabulls Real Estate Company Private Limited	-	29,528.68
Inter-corporate loans given		
Indiabulls Properties Private Limited	-	4,737.13
One Qube Realtors Limited (<i>formerly Ashkit Properties Limited</i>)	-	3,633.45
Security deposits		
Indiabulls Real Estate Company Private Limited	-	1,401.43
Trade receivables		
Opcore Services Limited (<i>formerly Indiabulls Realty Developers Limited</i>)	-	574.96
Yashita Buildcon Limited	-	14.34
Post-employment benefits – gratuity		
Mr. Vishal Gaurishankar Damani	23.55	14.84
Mr. Gurbans Singh	53.51	19.03
Post-employment benefits – leave encashment		
Mr. Vishal Gaurishankar Damani	16.49	17.41
Mr. Gurbans Singh	19.60	51.92
Investments in equity shares		
Indiabulls Properties Private Limited	-	130,000.00
Indiabulls Real Estate Company Private Limited	-	95,000.00
One Qube Realtors Limited (<i>formerly Ashkit Properties Limited</i>)	-	3,416.08
Yashita Buildcon Limited	-	5.00
Other receivables		
Indiabulls Real Company Private Limited	-	0.93
Indiabulls Properties Private Limited	-	0.93
Investments in compulsorily convertible debentures		
Yashita Buildcon Limited	-	6.41
Optionally convertible preference shares issued		
Indiabulls Properties Private Limited	-	42,500.00
Indiabulls Real Estate Company Private Limited	-	62,328.00
Corporate guarantees given		
Indiabulls Real Estate Company Private Limited	-	246,909.35
Indiabulls Properties Private Limited	-	256,452.78

Note – 46

Contingent liabilities and commitments

A) Summary of contingent liabilities

- Corporate guarantee issued by Holding Company on behalf of joint ventures amounting to ₹ Nil lakhs (31 March 2019: ₹ 503,362.13 lakhs).
- Corporate guarantee issued by Holding Company on behalf of other entities amounting to ₹ 5,084.06 lakhs (31 March 2019: ₹ Nil lakhs).

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

- iii. Contingent liabilities in respect of income-tax demands for which appeals have been filed ₹ 12,617.09 lakhs (31 March 2019: ₹ 9,032.96 lakhs)
- iv. Contingent liabilities in respect of income-tax demands for others ₹ 698.28 lakhs (31 March 2019: ₹ Nil lakhs)
- v. Contingent liabilities in respect of indirect tax cases demand for which appeals have been filed ₹ 4,289.09 lakhs (31 March 2019: ₹ 3,175.81 lakhs)
- vi. The Group has certain litigations involving customers. Management believes that these claims may be payable as and when the outcome of matters are finally determined. Based on past trends and internal legal analysis, the management believes that no material liability will devolve on the Group in respect of these litigations.

B) Commitments

- i. Letter of credit issued amounting to ₹ Nil lakhs (31 March 2019: ₹ 5,124.07 lakhs)
- ii. The Holding Company had given Sponsors Support Undertaking (“SSU”) to fund the required equity and any shortfall in means of finance by subscription to the shares of RattanIndia Power Limited, a company together promoted by Rattan India Infrastructure Limited and RR Infra Land Private Limited, for term loan facility sanctioned to RattanIndia Power Limited (“RPL”) in the event of inability of RPL to arrange the required equity support for Amravati Power Project Phase II. Under the SSU, the Holding Company had also guaranteed to meet RPL’s debt obligations in respect of Amravati Power Project Phase II in the event coal linkage for the project is cancelled/deferred and RPL fails to make any alternate arrangement of required coal six months prior to the scheduled commercial operation date of unit I of Amravati Power Project Phase II. Pursuant to the demerger of the power business from the Holding Company vide order dated 17 October 2011 passed by the Hon’ble Delhi High Court in Company Petition No 295 of 2011, all the liabilities and obligations of the Holding Company in relation to the power business stood transferred and vested into RattanIndia Infrastructure Limited. Furthermore, the promoters of RPL have subsequently undertaken not to drawdown any funds from such debt facilities with respect to Amravati Power Project Phase II.

Note – 47

Employee benefits

Defined contribution plan

The Group has made ₹ 124.20 lakhs (31 March 2019 - ₹ 67.88 lakhs) contribution in respect of provident fund and other funds.

Defined Benefit Plan

The Group has the following Defined Benefit Plans:

- Compensated absences (Unfunded)
- Gratuity (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan’s liability.
Mortality risk	Actual death & liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan’s liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan’s liability.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Compensated absences

The leave obligations cover the Group's liability for permitted leaves. The amount of provision of ₹ 20.72 lakhs (31 March 2019 - ₹ 42.16 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is in the range of 14.35 to 17.21 years (31 March 2019: 13.02 to 20.84 years).

Actuarial loss on obligation:

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Actuarial loss on arising from change in demographic assumption	6.01	-
Actuarial (gain)/loss on arising from change in financial assumptions	(30.77)	23.84
Actuarial gain on arising from change in experience adjustment	(108.92)	(36.33)
Total	(133.68)	(12.49)

Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

	31 March 2020	31 March 2019
Service cost	67.27	85.12
Net interest cost	35.71	20.88
Actuarial gain for the year	(133.68)	(12.50)
Expense recognized in the statement of profit and loss	(30.70)	93.50

Movement in the liability recognized in the balance sheet is as under:

(₹ in lakhs)

	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	471.27	273.58
Adjustment on account of disposal/acquisition of entities	-	104.18
Service cost	67.27	85.12
Net interest cost	35.71	20.88
Actuarial gain for the year	(133.68)	(12.49)
Benefits paid	(9.84)	-
Present value of defined benefit obligation at the end of the year	430.73	471.27

Bifurcation of projected benefit obligation at the end of the year in current and non-current

(₹ in lakhs)

	Particulars	31 March 2020	31 March 2019
a)	Current liability (amount due within one year)	20.72	42.16
b)	Non - current liability (amount due over one year)	410.01	429.11
	Total projected benefit obligation at the end of the year	430.73	471.27

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Compensated absences	
	31 March 2020	31 March 2019
Discount rate	6.99%	7.71%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality 100% of (2006 - 08)

As the Group does not have any plan assets for compensated absences, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan

(₹ in lakhs)

	Year	31 March 2020	Year	31 March 2019
a)	April 2020 – March 2021	21.13	April 2019 – March 2020	42.16
b)	April 2021 – March 2022	70.39	April 2020 – March 2021	8.33
c)	April 2022 – March 2023	7.68	April 2021 – March 2022	60.02
d)	April 2023 – March 2024	21.65	April 2022 – March 2023	7.37
e)	April 2024 – March 2025	14.08	April 2023 – March 2024	23.90
f)	April 2025 – March 2026	11.25	April 2024 – March 2025	11.68
g)	April 2026 onwards	591.42	April 2025 onwards	317.81

Sensitivity analysis for compensated absences

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Impact of the change in discount rate		
Present value of obligation at the end of the year	430.73	471.27
a) Impact due to increase of 0.50 %	(23.04)	(25.08)
b) Impact due to decrease of 0.50 %	24.75	27.40
Impact of the change in salary increase		
Present value of obligation at the end of the year	430.73	471.27
a) Impact due to increase of 0.50 %	25.13	27.86
b) Impact due to decrease of 0.50 %	(15.84)	(25.70)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is in the range of 14.35 to 17.21 years (31 March 2019: 13.02 to 20.84 years)

Actuarial (gain)/loss on obligation recognised in other comprehensive income

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Actuarial gain on arising from change in demographic assumption	(0.93)	-
Actuarial loss on arising from change in financial assumptions	87.53	89.26
Actuarial (gain)/loss on arising from change in experience adjustment	(131.25)	169.68
Total	(44.65)	258.94

Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

	31 March 2020	31 March 2019
Service cost	174.23	202.14
Net interest cost	96.59	58.54
Expense recognized in the statement of profit and loss	270.82	260.68

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
Movement in the liability recognized in the balance sheet is as under:
(₹ in lakhs)

	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	1,275.43	762.15
Service cost	174.23	202.14
Adjustment on account of disposal of entities	-	103.63
Net interest cost	96.59	58.54
Actuarial loss for the year	(44.65)	258.94
Benefits paid	(277.23)	(109.97)
Present value of defined benefit obligation at the end of the year	1,224.37	1,275.43

Bifurcation of projected benefit obligation at the end of the year in current and non-current
(₹ in lakhs)

	Particulars	31 March 2020	31 March 2019
a)	Current liability (amount due within one year)	62.19	113.25
b)	Non - current liability (amount due over one year)	1,162.18	1,162.18
	Total projected benefit obligation at the end of the year	1,224.37	1,275.43

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2020	31 March 2019
Discount rate	6.99%	7.71%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality 100% of (2006 -08)

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan
(₹ in lakhs)

	Year	31 March 2020	Year	31 March 2019
a)	April 2020 – March 2021	63.40	April 2019 – March 2020	113.25
b)	April 2021 – March 2022	57.56	April 2020 – March 2021	25.05
c)	April 2022 – March 2023	26.53	April 2021 – March 2022	23.21
d)	April 2023 – March 2024	54.94	April 2022 – March 2023	43.71
e)	April 2024 – March 2025	39.27	April 2023 – March 2024	21.23
f)	April 2025 – March 2026	40.18	April 2024 – March 2025	50.05
g)	April 2026 onwards	1,851.60	April 2025 onwards	998.93

Sensitivity analysis for gratuity
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Impact of the change in discount rate		
Present value of obligation at the end of the year	1,224.37	1,275.43
a) Impact due to increase of 0.50 %	(74.62)	(73.76)
b) Impact due to decrease of 0.50 %	81.76	80.85
Impact of the change in salary increase		
Present value of obligation at the end of the year	1,224.37	1,275.43
a) Impact due to increase of 0.50 %	82.07	82.21
b) Impact due to decrease of 0.50 %	(75.52)	(75.58)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note – 48

Share based payments

Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II)

During the year ended 31 March 2009, the Holding Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, the Holding Company issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each in the Holding Company, at an exercise price of ₹ 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at 29 January 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 31 January 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan:

Particulars	31 March 2020	31 March 2019
Opening balance	165,000	165,000
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	39,000	-
Closing balance	126,000	165,000
Vested and exercisable	126,000	165,000

Weighted average share exercised price during the year ended 31 March 2020: ₹ Nil (31 March 2019: ₹ Nil)

The fair value of the option under Plan II using the black scholes model, based on the following parameters is ₹ 62.79 per option, as certified by an independent valuer.

Particulars	Plan – II
Fair market value of option on the date of grant	₹ 62.79
Exercise price	₹ 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	10.5 Years
Expected dividend yield	3.92%
Risk free interest rate	6.50%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2010 (III)

During the year ended 31 March 2011, the Board of Directors and shareholders of the Holding Company have given their consent to create, issue, offer and allot to the eligible employees of the Holding Company and its subsidiary companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 equity shares of face value of ₹2 each of the Holding Company, accordingly the Employee Stock Option Plan - 2010 ("IBREL ESOP 2010" or "Plan-III")) has been formed. As per the scheme exercise price will be the market price of the equity shares of the Holding Company, being the latest available closing price, prior to the date of grant or as the case may be decided by the board of directors or compensation committee. During the year ended 31 March 2016, board of directors of the Holding Company at its meeting held on 26 June 2015, re-granted (original grant was of date 14 November 2015) under the "Indiabulls Real Estate Limited Employees Stock Options Plan - 2010", 10,500,000 stock options to eligible employees of the Holding Company and its subsidiary companies representing an equal number of equity shares of face value of ₹ 2 each in the Holding Company, at an exercise price of ₹ 54.50, being the closing market price of previous day on the National Stock Exchange of India Limited. The stock options so granted, shall vest within 5 years beginning from 26 June 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020**

Following is a summary of options granted under the plan –

Particulars	31 March 2020	31 March 2019
Opening balance	6,042,950	8,049,100
Granted during the year	-	-
Exercised during the year	3,983,587	2,006,150
Forfeited during the year	350,575	-
Closing balance	1,708,788	6,042,950
Vested and exercisable	28,668	2,196,950

Weighted average share exercised price during the year ended 31 March 2020: ₹ 119.29 (31 March 2019: ₹ 178.24)

The fair value of the option under Plan III using the black scholes model, based on the following parameters is ₹ 34.30 per option, as certified by an independent valuer.

Particulars	Plan – III
Fair market value of option on the date of grant	₹ 34.30
Exercise price	₹ 54.50
Expected volatility	89%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	8 Years
Expected dividend yield	3.45%
Risk free interest rate	8.03%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2011 (IV)

During the year ended 31 March 2012, the board of directors and shareholders of the Holding Company have given their consent to create, issue, offer and allot, to the eligible employees of the Holding Company and its subsidiary companies, stock options not exceeding 15,000,000 in number, representing 15,000,000 equity shares of face value of ₹2 each, and accordingly the Employee Stock Option Scheme 2011 (“IBREL ESOS 2011”) has been formed. As per the scheme exercise price will be the market price of the equity shares of the Holding Company, being the latest available closing price, prior to the date of grant or as may be decided by the board or compensation committee. However, compensation committee of the board has not yet granted any options under IBREL ESOP 2011 Scheme.

Note – 49**Group information****Information about subsidiaries**

The information about subsidiaries of the Holding Company is as follows. The below table includes the information about step down subsidiaries as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Aedos Real Estate Company Limited	India	100.00%	100.00%
Airmid Developers Limited	India	100.00%	100.00%
Airmid Properties Limited	India	100.00%	100.00%
Airmid Real Estate Limited	India	100.00%	100.00%
Albasta Constructions Limited	India	100.00%	100.00%
Albasta Developers Limited	India	100.00%	100.00%
Albasta Infrastructure Limited	India	100.00%	100.00%
Albasta Properties Limited	India	100.00%	100.00%
Albasta Real Estate Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Albina Properties Limited	India	100.00%	100.00%
Albina Real Estate Limited	India	100.00%	100.00%
Amadis Land Development Limited	India	100.00%	100.00%
Angina Properties Limited	India	100.00%	100.00%
Angles Constructions Limited	India	100.00%	100.00%
Apesh Constructions Limited	India	100.00%	100.00%
Apesh Properties Limited	India	100.00%	100.00%
Apesh Real Estate Limited	India	100.00%	100.00%
Ashkit Constructions Limited	India	100.00%	100.00%
Athena Builders and Developers Limited	India	100.00%	100.00%
Athena Buildwell Limited	India	100.00%	100.00%
Athena Infrastructure Limited	India	100.00%	100.00%
Athena Land Development Limited	India	100.00%	100.00%
Aurora Builders and Developers Limited	India	100.00%	100.00%
Bridget Builders and Developers Limited	India	100.00%	100.00%
Catherine Builders and Developers Limited	India	100.00%	100.00%
Ceres Constructions Limited	India	100.00%	100.00%
Ceres Estate Limited	India	100.00%	100.00%
Ceres Infrastructure Limited	India	100.00%	100.00%
Ceres Land Development Limited	India	100.00%	100.00%
Ceres Properties Limited	India	100.00%	100.00%
Chloris Real Estate Limited	India	100.00%	100.00%
Citra Developers Limited	India	100.00%	100.00%
Citra Properties Limited	India	100.00%	100.00%
Cobitis Buildwell Limited	India	100.00%	100.00%
Cobitis Real Estate Limited	India	100.00%	100.00%
Corus Real Estate Limited	India	100.00%	100.00%
Devona Developers Limited	India	100.00%	100.00%
Devona Infrastructure Limited	India	100.00%	100.00%
Devona Properties Limited	India	100.00%	100.00%
Diana Infrastructure Limited	India	100.00%	100.00%
Diana Land Development Limited	India	100.00%	100.00%
Edesia Constructions Limited	India	100.00%	100.00%
Edesia Developers Limited	India	100.00%	100.00%
Edesia Infrastructure Limited	India	100.00%	100.00%
Elena Constructions Limited	India	100.00%	100.00%
Elena Properties Limited	India	100.00%	100.00%
Fama Builders and Developers Limited	India	100.00%	100.00%
Fama Construction Limited	India	100.00%	100.00%
Fama Estate Limited	India	100.00%	100.00%
Fama Infrastructure Limited	India	100.00%	100.00%
Fama Land Development Limited	India	100.00%	100.00%
Fama Properties Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Flora Land Development Limited	India	100.00%	100.00%
Fornax Constructions Limited	India	100.00%	100.00%
Fornax Real Estate Limited	India	100.00%	100.00%
Galium Builders And Developers Limited	India	100.00%	100.00%
Hecate Power and Land Development Limited	India	100.00%	100.00%
Hermes Builders and Developers Limited	India	100.00%	100.00%
Hermes Properties Limited	India	100.00%	100.00%
IB Assets Limited	India	100.00%	100.00%
IB Holdings Limited	India	100.00%	100.00%
Indiabulls Buildcon Limited	India	100.00%	100.00%
Indiabulls Commercial Assets Limited	India	100.00%	100.00%
Indiabulls Commercial Estate Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Management Limited	India	100.00%	100.00%
Indiabulls Communication Infrastructure Limited	India	100.00%	100.00%
Indiabulls Constructions Limited	India	100.00%	100.00%
Indiabulls Engineering Limited	India	100.00%	100.00%
Indiabulls Estate Limited	India	100.00%	100.00%
Indiabulls Hotel Properties Limited	India	100.00%	100.00%
Indiabulls Housing and Constructions Limited	India	100.00%	100.00%
Indiabulls Housing and Land Development Limited	India	100.00%	100.00%
Indiabulls Housing Developers Limited	India	100.00%	100.00%
Indiabulls Industrial Infrastructure Limited	India	89.01%	89.01%
Indiabulls Infraestate Limited	India	100.00%	100.00%
Indiabulls Infrastructure Projects Limited	India	100.00%	100.00%
Indiabulls Infratech Limited	India	100.00%	100.00%
Indiabulls Land Holdings Limited	India	100.00%	100.00%
Indiabulls Lands Limited	India	100.00%	100.00%
Indiabulls Multiplex Services Limited	India	100.00%	100.00%
Indiabulls Natural Resources Limited	India	100.00%	100.00%
Indiabulls Projects Limited	India	100.00%	100.00%
Indiabulls Real Estate Builders Limited	India	100.00%	100.00%
Indiabulls Real Estate Developers Limited	India	100.00%	100.00%
Indiabulls Realty Company Limited	India	100.00%	100.00%
Indiabulls Real Estate Limited - Employees Welfare Trust (w.e.f. 19 February 2020)	India	100.00%	-
Indiabulls Software Parks Limited	India	100.00%	100.00%
Ivonne Infrastructure Limited	India	100.00%	100.00%
Juventus Constructions Limited	India	100.00%	100.00%
Juventus Estate Limited	India	100.00%	100.00%
Juventus Infrastructure Limited	India	100.00%	100.00%
Juventus Land Development Limited	India	100.00%	100.00%
Juventus Properties Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Kailash Buildwell Limited	India	100.00%	100.00%
Kaltha Developers Limited	India	100.00%	100.00%
Karakoram Buildwell Limited	India	100.00%	100.00%
Karakoram Properties Limited	India	100.00%	100.00%
Kenneth Builders and Developers Limited	India	100.00%	100.00%
Lakisha Infrastructure Limited	India	100.00%	100.00%
Lakisha Real Estate Limited (till 29 June 2019)	India	-	100.00%
Lavone Builders And Developers Limited	India	100.00%	100.00%
Lenus Constructions Limited	India	100.00%	100.00%
Lenus Infrastructure Limited	India	100.00%	100.00%
Lenus Properties Limited	India	100.00%	100.00%
Linnet Constructions Limited	India	100.00%	100.00%
Linnet Developers Limited	India	100.00%	100.00%
Linnet Infrastructure Limited	India	100.00%	100.00%
Linnet Properties Limited	India	100.00%	100.00%
Linnet Real Estate Limited	India	100.00%	100.00%
Loon Infrastructure Limited	India	100.00%	100.00%
Loon Land Development Limited (till 30 September 2019)	India	-	100.00%
Lorena Builders Limited	India	100.00%	100.00%
Lorena Constructions Limited	India	100.00%	100.00%
Lorena Developers Limited	India	100.00%	100.00%
Lorena Infrastructure Limited	India	100.00%	100.00%
Lorena Real Estate Limited	India	100.00%	100.00%
Lorita Developers Limited	India	100.00%	100.00%
Lucina Builders and Developers Limited	India	100.00%	100.00%
Lucina Buildwell Limited	India	100.00%	100.00%
Lucina Constructions Limited	India	100.00%	100.00%
Lucina Estate Limited	India	100.00%	100.00%
Lucina Land Development Limited	India	100.00%	100.00%
Lucina Properties Limited	India	100.00%	100.00%
Mabon Constructions Limited	India	100.00%	100.00%
Mabon Infrastructure Limited	India	100.00%	100.00%
Mabon Properties Limited	India	100.00%	100.00%
Majesta Builders Limited	India	100.00%	100.00%
Majesta Constructions Limited	India	100.00%	100.00%
Majesta Developers Limited	India	100.00%	100.00%
Majesta Infrastructure Limited	India	100.00%	100.00%
Majesta Properties Limited	India	100.00%	100.00%
Makala Infrastructure Limited	India	100.00%	100.00%
Manjola Infrastructure Limited	India	100.00%	100.00%
Manjola Real Estate Limited	India	100.00%	100.00%
Mariana Constructions Limited	India	100.00%	100.00%
Mariana Developers Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Mariana Infrastructure Limited (till 27 December 2019)	India	-	100.00%
Mariana Properties Limited	India	100.00%	100.00%
Mariana Real Estate Limited	India	100.00%	100.00%
Milkyway Buildcon Limited	India	100.00%	100.00%
Nerissa Constructions Limited	India	100.00%	100.00%
Nerissa Developers Limited	India	100.00%	100.00%
Nerissa Infrastructure Limited	India	100.00%	100.00%
Nerissa Properties Limited	India	100.00%	100.00%
Nerissa Real Estate Limited	India	100.00%	100.00%
Nilgiri Buildwell Limited	India	100.00%	100.00%
Nilgiri Infraestate Limited	India	100.00%	100.00%
Nilgiri Infrastructure Development Limited	India	100.00%	100.00%
Nilgiri Infrastructure Limited	India	100.00%	100.00%
Nilgiri Infrastructure Projects Limited	India	100.00%	100.00%
Nilgiri Land Development Limited	India	100.00%	100.00%
Nilgiri Land Holdings Limited	India	100.00%	100.00%
Nilgiri Lands Limited	India	100.00%	100.00%
Nilgiri Resources Limited	India	100.00%	100.00%
Noble Realtors Limited	India	100.00%	100.00%
Paidia Infrastructure Limited	India	100.00%	100.00%
Parmida Constructions Limited	India	100.00%	100.00%
Parmida Developers Limited	India	100.00%	100.00%
Parmida Properties Limited	India	100.00%	100.00%
Platane Infrastructure Limited	India	100.00%	100.00%
Selene Builders and Developers Limited	India	100.00%	100.00%
Selene Buildwell Limited	India	100.00%	100.00%
Selene Constructions Limited	India	100.00%	100.00%
Selene Infrastructure Limited	India	100.00%	100.00%
Selene Land Development Limited	India	100.00%	100.00%
Selene Properties Limited	India	100.00%	100.00%
Sentia Constructions Limited	India	100.00%	100.00%
Sentia Developers Limited	India	100.00%	100.00%
Sentia Infrastructure Limited	India	100.00%	100.00%
Sentia Real Estate Limited	India	100.00%	100.00%
Sepset Developers Limited	India	100.00%	100.00%
Sepset Real Estate Limited	India	100.00%	100.00%
Serida Infrastructure Limited	India	100.00%	100.00%
Serida Properties Limited	India	100.00%	100.00%
Serpentes Constructions Limited	India	100.00%	100.00%
Shivalik Properties Limited	India	100.00%	100.00%
Sophia Constructions Limited	India	100.00%	100.00%
Sophia Real Estate Limited	India	100.00%	100.00%
Sylvanus Properties Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Tapir Constructions Limited	India	100.00%	100.00%
Tapir Land Development Limited	India	100.00%	100.00%
Tefia Land Development Limited	India	100.00%	100.00%
Triton Buildwell Limited	India	100.00%	100.00%
Triton Estate Limited	India	100.00%	100.00%
Triton Infrastructure Limited	India	100.00%	100.00%
Triton Properties Limited	India	100.00%	100.00%
Varali Constructions Limited	India	100.00%	100.00%
Varali Developers Limited	India	100.00%	100.00%
Varali Infrastructure Limited	India	100.00%	100.00%
Varali Properties Limited	India	100.00%	100.00%
Varali Real Estate Limited	India	100.00%	100.00%
Vindhyachal Buildwell Limited	India	100.00%	100.00%
Vindhyachal Developers Limited	India	100.00%	100.00%
Vindhyachal Infrastructure Limited	India	100.00%	100.00%
Vindhyachal Land Development Limited	India	100.00%	100.00%
Vonnie Real Estate Limited	India	100.00%	100.00%
Zeus Builders And Developers Limited	India	100.00%	100.00%
Zeus Buildwell Limited	India	100.00%	100.00%
Zeus Estate Limited	India	100.00%	100.00%
Zeus Properties Limited	India	100.00%	100.00%
Arianca Limited	Cyprus	100.00%	100.00%
Ariston Investments Limited	Mauritius	100.00%	100.00%
Ariston Investments Sub C Limited	Mauritius	100.00%	100.00%
Brenformexa Limited	Cyprus	100.00%	100.00%
Century Limited (till 1 November 2019)	Jersey	-	100.00%
Dev Property Development Limited	Isle of Man	100.00%	100.00%
Eros Limited (till 1 November 2019)	Jersey	-	100.00%
Foundvest Limited	Cyprus	100.00%	100.00%
Grand Limited	Jersey	100.00%	100.00%
Grapene Limited	Cyprus	100.00%	100.00%
Indiabulls Properties Investment Trust	Singapore	100.00%	100.00%
Indiabulls Property Management Trustee Pte. Limited.	Singapore	100.00%	100.00%
IPMT Limited (till 1 November 2019)	United Kingdom	-	100.00%
M Holdco 1 Limited	Mauritius	100.00%	100.00%
M Holdco 2 Limited	Mauritius	100.00%	100.00%
M Holdco 3 Limited	Mauritius	100.00%	100.00%
Navilith Holdings Limited	Cyprus	100.00%	100.00%
Nesoi Limited (till 1 November 2019)	Jersey	-	100.00%
Rhea Limited (till 1 November 2019)	Jersey	-	100.00%
Shoxell Holdings Limited	Cyprus	100.00%	100.00%
Titan Limited (till 1 November 2019)	Jersey	-	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note – 50

- (i) During the year ended 31 March 2020, the Holding Company has sold the entire stake in Century Limited (which indirectly owns Hanover Square property, London) to Clivedale Overseas Limited, an entity owned by the Promoters, for an aggregate consideration of ₹ 183,693.00 Lakhs (GBP 200 Million), based on an independent valuation and accordingly, the Group has recognized gain on sale amounting to ₹ 2,347.33 lakhs in these consolidated financial statements.
- (ii) During the year ended 31 March 2020, the Group has sold the remaining stake in existing joint venture companies namely Indiabulls Properties Private Limited (including its subsidiary Opcore Services Limited (formerly Indiabulls Realty Developers Limited)) and Indiabulls Real Estate Company Private Limited (both owning assets in Mumbai) and Yashita Buildcon Limited (including its subsidiary Concepts International India Private Limited) and One Qube Realtors Limited (formerly Ashkit Properties Limited) (both owning assets in Gurugram) to the entities controlled by Blackstone Group Inc. ('Blackstone') for an aggregate consideration of ₹ 271,700.00 lakhs and accordingly, the Group has recognized gain on sale amounting to ₹ 78,054.65 lakhs in these consolidated financial statements.
- (iii) During the year, 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 the subsidiary company namely Mariana Infrastructure Limited ('Mariana'), which holds commercial asset at Gurgaon at a consideration of ₹ 13,564.93 lakhs. As part of the said transaction, the Holding Company has divested partial stake of the Holding Company in Mariana which has resulted in loss of control in Mariana and accordingly Mariana has been de-consolidated resulting in loss amounting to ₹ 223.69 lakhs. Further, the remaining investment has also been classified as held for sale.
- (iv) During the year ended 31 March 2020, Indiabulls Infraestate Limited, one of the wholly owned subsidiary companies of the Group has entered into definitive transaction agreement and has sold one of the commercial asset/developments at Mumbai to one of the entity controlled by the Blackstone Group Inc. ('Purchaser') for a consideration of ₹ 67,500.00 lakhs. Part of this consideration has been settled by transferring existing liability pertaining to debentures of ₹ 45,815.06 lakhs. Additionally, accrued liability of ₹ 36,000.00 lakhs pertaining to government expenses has also been extinguished in connection with this transaction. Accordingly, the Subsidiary Company has recognized related revenue of ₹ 103,500.00 lakhs and charged off the inventory ₹ 87,287.51 lakhs in respect of said commercial asset/development.

Note – 51

- (i) During the year ended 31 March 2020, the Holding Company has sold its entire stake in one of its wholly owned subsidiaries, namely Lakisha Real Estate Limited for an aggregate consideration of ₹ 2,079.21 lakhs and accordingly, the Group has recognised gain on sale amounting to ₹ 3,106.06 lakhs in these consolidated financial statements for the year ended 31 March 2020.
- (ii) During the year ended 31 March 2020, the Holding Company has sold its entire stake in its wholly owned subsidiary, Loon Land Development Limited for an aggregate consideration of ₹ 5.00 lakhs.
- (iii) During the year ended 31 March 2020, the group has sold the entire stake in a subsidiary namely IPMT Limited, to Clivedale Overseas Limited, an entity owned by the Promoters, for an aggregate consideration of GBP 1.
- (iv) During the year ended 31 March 2019, the Group had divested 50% stake in two of its wholly owned subsidiaries namely One Qube Realtors Limited (formerly Ashkit Properties Limited) and Yashita Buildcon Limited (including Concepts International India Private Limited, a wholly owned subsidiary of Yashita Buildcon Limited), which was acquired during the previous year) which are owning office in Udyog Vihar, Gurugram (aggregating 784,000 square feet leasable office space) at an aggregate enterprise value of approximately ₹ 46,400.00 lakhs to the entities controlled by The Blackstone Group LP. With this, these wholly owned subsidiaries had become joint ventures and accordingly, the Group had recognised profit on sale of investment/fair value impact of existing stake amounting to ₹ 13,390.02 lakhs in the consolidated financial statements for year ended 31 March 2019.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note – 52

Subsidiaries with material non-controlling interest ('NCI')

The group includes following subsidiaries, with material non-controlling interests, as mentioned below:

Description	Country	31 March 2020	31 March 2019
Indiabulls Industrial Infrastructure Limited	India	10.99%	10.99%

The summarised financial information of the subsidiaries before inter-group eliminations are set out below:

Indiabulls Industrial Infrastructure Limited

Balance sheet

(₹ in lakhs)

Description	31 March 2020	31 March 2019
Non-current assets	14,477.71	14,863.05
Current assets	13,164.83	12,402.80
Total assets	27,642.54	27,265.85
Non-current liabilities	17,242.12	17,371.78
Current liabilities	348.20	224.38
Total liabilities	17,590.32	17,596.16
Net assets/total equity	10,052.22	9,669.69
Attributable to:		
Controlling interests	8,947.48	8,606.99
Non-controlling interests	1,104.74	1,062.70

Statement of profit and loss

(₹ in lakhs)

Description	31 March 2020	31 March 2019
Revenue and other income	1,226.61	1,154.87
Profit for the year	380.73	181.11
Total comprehensive income	380.67	178.24
Attributable to non-controlling interests	41.29	16.95

Cash flow information

(₹ in lakhs)

Description	31 March 2020	31 March 2019
Cash used in operating activities	(210.98)	(293.11)
Cash flow from investing activities	210.16	291.05
Net decrease in cash and cash equivalents	(0.82)	(2.06)

Note – 53

Information about Joint Ventures

S.No	Name of Entity	Principal activities	Country of incorporation/ principal place of business	Proportion of ownership (%) as at 31 March 2020	Proportion of ownership (%) as at 31 March 2019
1	Indiabulls Real Estate Company Private Limited (from 29 March 2018 to 25 September 2019)	Real estate development and leasing	India	-	50.00%
2	Indiabulls Properties Private Limited (from 29 March 2018 to 25 September 2019)	Real estate development and leasing	India	-	50.00%
3	Opcore Services Limited (formerly Indiabulls Realty Developers Limited) (from 29 March 2018 to 25 September 2019)	Maintenance of real estate properties	India	-	50.00%
4	One Qube Realtors Limited (formerly	Real estate	India	-	50.00%

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

S.No	Name of Entity	Principal activities	Country of incorporation/ principal place of business	Proportion of ownership (%) as at 31 March 2020	Proportion of ownership (%) as at 31 March 2019
	Ashkit Properties Limited) (from 28 December 2018 to 25 September 2019)	development and leasing			
5	Yashita Buildcon Limited (from 28 December 2018 to 25 September 2019)	Maintenance of real estate properties	India	-	50.05%
6	Concepts International India Private Limited (from 28 December 2018 to 25 September 2019)	Real estate development and leasing	India	-	50.05%

Summarised financial information for joint ventures –

(₹ in lakhs)

Description	31 March 2020*	31 March 2019
Share of loss including other comprehensive income in joint ventures (net) – Material	(46,419.22)	(312.84)
Share of profit including other comprehensive income in joint ventures (net) - Non-material	138.27	300.74
Total share of loss from joint ventures (including other comprehensive income)	(46,280.95)	(12.09)

* Numbers are included till the date of sale of stake i.e. 25 September 2019.

The tables below provide summarised financial information for those joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures.

(₹ in lakhs)

Particulars	Indiabulls Properties Private Limited		Indiabulls Real Estate Company Private Limited	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Balance sheet				
Cash and cash equivalents	-	2,818.70	-	1,509.05
Other current financial and non-financial assets	-	388,462.04	-	63,814.68
Current assets (A)	-	391,280.74	-	65,323.73
Non-current assets (B)	-	178,414.53	-	273,645.05
Current financial liabilities (excluding trade payables and provisions)	-	54,392.41	-	6,846.82
Trade payables and provisions	-	3,990.82	-	1,189.95
Other current liabilities	-	161,577.04	-	1,460.86
Current liabilities (C)	-	219,960.27	-	9,497.63
Non-current financial liabilities (excluding trade payables and provisions)	-	256,121.63	-	251,023.40
Other non-current liabilities	-	1,175.54	-	1,172.37
Non-current liabilities (D)	-	257,297.17	-	252,195.77
Net assets (A+B-C-D)	-	92,437.83	-	77,275.38

(₹ in lakhs)

Particulars	Indiabulls Properties Private Limited		Indiabulls Real Estate Company Private Limited	
	Till 25 September 2019	31 March 2019	Till 25 September 2019	31 March 2019

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Statement of profit and loss				
Revenue	18,531.07	43,365.63	16,082.33	33,106.61
Interest income	1,675.55	283.28	2,057.70	2,097.82
Other income	291.58	34.76	94.19	254.66
Total revenue (A)	20,498.20	43,683.67	18,234.22	35,459.09
Cost of revenue	13,022.55	26,395.63	1,757.19	3,614.87
Employee benefit expense	2.00	3.57	-	0.01
Finance costs	3,711.02	8,905.67	6,719.18	15,278.49
Depreciation and amortisation	1,821.62	3,656.89	1,731.12	3,534.76
Other expense	8,447.02	16,286.04	1,320.73	1,443.38
Total expenses (B)	27,004.21	55,247.80	11,528.84	23,871.51
(Loss)/profit before tax (C = A-B)	(6,506.01)	(11,564.13)	6,706.00	11,587.58
Tax expense (D)	869.05	16.48	48.59	-
(Loss)/profit for the year (E = C-D)	(7,375.06)	(11,580.61)	6,656.79	11,587.58
Other comprehensive income (F)	(37,406.58)	(333.42)	(54,839.03)	(488.97)
Total comprehensive income (E+F)	(44,781.64)	(11,914.03)	(48,182.24)	11,098.61
Share of (loss)/profit for the year	(22,390.82)	(5,957.02)	(24,091.12)	5,549.31
Capital and other commitments (capital contracts remaining to be executed)	-	-	-	13.03
Other information (contingent liability)				
Service tax demand in excess of provisions (pending in appeals)	-	2,573.00	-	-

(₹ in lakhs)

Particulars	One Qube Realtors Limited (formerly Ashkit Properties Limited)		Concepts International India Private Limited	
Balance sheet	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Cash and cash equivalents	-	24.01	-	60.60
Other current financial and non-financial assets	-	380.87	-	587.00
Current assets (A)	-	404.88	-	647.60
Non-current assets (B)	-	19,844.39	-	10,082.70
Current financial liabilities (excluding trade payables and provisions)	-	4,275.83	-	-
Trade payables and provisions	-	-	-	429.08
Other current liabilities	-	10.06	-	301.83
Current liabilities (C)	-	4,285.89	-	730.19
Non-current financial liabilities (excluding trade payables and provisions)	-	-	-	12,309.13
Other non-current liabilities	-	-	-	467.97
Non-current liabilities (D)	-	-	-	12,777.10
Net assets (A+B-C-D)	-	15,963.38	-	(2,777.71)

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(₹ in lakhs)

Particulars	One Qube Realtors Limited (formerly Ashkit Properties Limited)		Concepts International India Private Limited	
	Till 25 September 2019	31 March 2019	Till 25 September 2019	31 March 2019
Statement of profit and loss				
Revenue	-	-	1,157.23	809.20
Other income	2.67	4.09	20.57	14.56
Total revenue (A)	2.67	4.09	1,177.80	823.76
Employee benefit expense	-	0.49	-	-
Finance costs	-	-	658.61	402.15
Depreciation and amortisation	1.37	0.70	162.89	82.49
Other expense	44.57	12.68	297.91	136.48
Total expenses (B)	45.94	13.87	1,119.49	621.12
(Loss)/profit before tax (C = A-B)	(43.27)	(9.78)	58.34	202.64
Tax expense (D)	(0.13)	-	(110.19)	3.12
(Loss)/profit for the year (E = C-D)	(43.14)	(9.78)	168.58	199.52
Other comprehensive income (F)	-	-	-	-
Total comprehensive income (E+F)	(43.14)	(9.78)	168.53	199.52
Share of (loss)/profit for the year	(21.57)	(4.89)	84.29	99.76
Capital and other commitments (capital contracts remaining to be executed)	-	-	-	3,776.28
Other information (contingent liability)				
31 March 2020	-		-	
31 March 2019		The joint venture company had a pending litigation involving one of its vendors. However, the management did not expect any unfavourable outcome resulting in material adverse effect on the financial statements of the joint venture company.	-	

Note – 54

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows.

A. The changes in the Group's liabilities arising from financing activities can be classified as follows:

(₹ lakhs)

	Non-current borrowings (including current maturities and interest accrued)	Current borrowings	Total
Net debt as at 01 April 2018	582,067.94	92,500.00	674,567.94
Proceeds from current/non-current borrowings (including current maturities)	426,887.36	423,000.00	849,887.36

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Repayment of current/non-current borrowings (including current maturities)	(491,717.49)	(414,000.00)	(905,717.43)
Non-cash movement arising on account of disposal of subsidiaries	(49,006.00)	-	(49,006.00)
Non-cash movement arising on account of amortisation of upfront fees and others	(1,697.03)	-	(1,697.03)
Interest expense	53,485.64	-	53,485.64
Interest paid	(65,704.09)	-	(65,704.09)
Net debt as at 31 March 2019	454,316.39	101,500.00	555,816.39
Proceeds from current/non-current borrowings (including current maturities)	78,498.10	101,500.00	179,998.10
Repayment of current/non-current borrowings (including current maturities)	(114,732.70)	(203,000.00)	(317,732.70)
Non-cash movement arising on account of disposal of subsidiaries	(145,781.18)	-	(145,781.18)
Non-cash movement arising on account of amortisation of upfront fees and others	(345.38)	-	(345.38)
Interest expense	51,927.29	-	51,927.29
Interest paid	(51,401.22)	-	(51,401.22)
Net debt as at 31 March 2020	272,481.30	-	272,481.30

B. The changes in the Group's lease liabilities arising from financing activities can be classified as follows:

(` in lakhs)

Particulars	Amount
Lease liabilities as at 1 April 2019 (current and non-current)	5,339.90
Interest on lease liabilities	484.10
Payment of lease liabilities	(2,072.95)
Impact on account of termination of lease contract during the year	(226.26)
Non-cash movement	265.29
Lease liabilities as at 31 March 2020 (current and non-current)	3,790.08

Note – 55

- (i) During the year, the Settlement Commission passed final orders under section 245D(4) in respect of the applications made to the Settlement Commission dated 3 October 2017. Pursuant to the orders, additional tax expense of ₹ 15,072.00 lakhs (including interest of ₹ 7,931.10 lakhs) have been determined and recorded in the Consolidated Financial Statements. Additionally, the Group has also booked interest expense of ₹ 385.50 lakhs due to payment of above additional tax expense on an instalment basis.
- (ii) During the year ended 31 March 2020, one of the subsidiary company of the Group has recorded a reversal of the tax provision amounting to ₹ 2,775.89 lakhs basis the development on the income tax matters and advice of the legal counsel.

Note – 56

During the year ended 31 March 2020, the Holding Company has set up an employees welfare trust titled “Indiabulls Real Estate Limited – Employees Welfare Trust” (the “Trust”) to efficiently manage the current as well as any future share based employees benefits schemes.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note – 57

During the year ended 31 March 2020, Indiabulls Infraestate Limited, one of the wholly owned subsidiary companies of the Group has recorded cancellation of multiple units in its project. The related revenue of ₹ 87,791.17 lakhs and cost of ₹ 47,073.97 lakhs have been recognised in these consolidated financial statements. These units have been cancelled based on the terms of the agreement entered between the parties on account of non-payment of certain outstanding dues, pertaining to those units. The refunds arising of these cancellations have been duly paid to the customers/lenders where these units were mortgaged.

Note – 58

During the year ended 31 March 2020, the Holding Company has received the approval of the National Company Law Tribunal ('Hon'ble NCLT'), Principal Bench, New Delhi to the Scheme of Arrangement ('the Scheme') between Indiabulls Real Estate Limited ('petitioner/transferee company'), India Land and Properties Limited ('transferor company'), Indiabulls Infrastructure Limited ('resulting company') and their respective shareholders and creditors, pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Holding Company has filed the Scheme with Registrar of Companies ('ROC') on 19 March 2020. Pursuant to the Scheme, the Holding Company has acquired redeemable preference shares amounting to ₹ 45,000.00 lakhs issued by one of the wholly owned subsidiary of the Holding Company and other assets amounting to ₹ 1,520.00 lakhs from the transferor company. The approval of the Scheme was part of overall transaction to divest 100% stake in resulting company (owning Chennai assets). Further, the Holding Company has also valued the remaining stake in resulting company (classified as assets held for sale) at fair value and thus, recognising net gain on the said transaction amounting to ₹ 21,406.90 lakhs in these consolidated financial statements.

Note – 59

Capital reserve on consolidation

The Group has reclassified capital reserve arising on consolidation amounting to ₹ 104,232.79 lakhs to retained earnings and accordingly, restated its consolidated financial statements as at 31 March 2019 as per the principles of Ind AS 8. The above reclassification does not have any impact on other equity balance in the consolidated financial statements.

There is no change in basic and diluted earnings per share on account of above classification.

Note – 60

Previous year figures have been regrouped/reclassified, where necessary, to confirm to this year's classification, as below –

(₹ in lakhs)			
Balance sheet	31 March 2019 (Reported)	Adjustments	31 March 2019 (Reclassified)
Assets			
Minimum alternative tax credit entitlement	5,967.59	(2,985.03)	2,982.56
Non-current tax assets	18,333.67	2,985.03	21,318.70

Note - 61

A. Risk management strategy

During the previous year, the Group had entered into certain forward contracts to hedge its net assets in foreign currency. The risk being hedged was the risk of potential gain/loss due to fluctuation in foreign currency rates. The use of forward contracts is covered by the Group's overall risk strategy. As per the hedging policy of the Group, hedge effectiveness is determined at the inception of hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020****B. Other hedge related disclosures**

(i) The maturity profile of hedging instrument is as follows: (₹ in lakhs)

Particulars	Hedge effectiveness	Maturity date	Weighted average rate (range)
31 March 2020	N.A.	N.A.	N.A.
31 March 2019	Effective	24 January 2022 to 04 April 2022	103.80 to 110.17

(ii) Disclosure of effects of hedge accounting on financial performance: (₹ in lakhs)

Particulars	Nominal value	Carrying amount of hedging instrument	Hedge related gains/(losses) recognised in OCI	Amount charged to statement of profit and loss	Line item of statement of profit and loss where the impact is included
31 March 2020	-	-	(2,577.99)	154.67	Amortisation of derivative balance (difference between forward and spot element)
31 March 2019					
Net investment hedge	99,908.00	3,242.41	2,577.99	664.43	Amortisation of derivative balance (difference between forward and spot element)

Note – 62

During the year ended 31 March 2020, the Holding Company has got a fixed consideration amounting to ₹ 13,707.00 lakhs to the Holding Company as full and final settlement against one of its projects. As a result of this, the Holding Company has surrendered and relinquished all its rights, titles and interest of any nature in respect of the said project. Accordingly, the Holding Company has recognized revenue of ₹ 13,707.00 lakhs and written off the carrying cost of the inventory of ₹ 7,042.57 as cost of sales in these consolidated financial statements.

Note – 63

The Hon'ble Supreme Court India has passed a judgement dated 28 February 2019 and it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Currently, the Group has not considered any impact in these consolidated financial statements.

Note – 64

During the year, two of the wholly owned subsidiaries of the Group has advanced an interest-bearing sum of ₹ 105,141.00 lakhs to parties outside the group of which ₹ 89,755.26 lakhs is outstanding as at 31 March 2020 (inclusive of interest on such loans amounting to ₹ 5,847.26 lakhs). Based on the terms of these loans, confirmations received by the

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

management from these third parties and recoverability assessment done by the management, no impairment has been considered necessary in these consolidated financial statements.

Note – 65

The outbreak of 'Covid-19' has severely impact businesses around the world. In many countries, including India, there has been severe disruption of regular business operations due to lock down restrictions and other emergency measures imposed by the Government. The management has made a detailed assessment of its liquidity position, including recoverability/carrying values of its trade receivables, business and other advances, inventory and investments as at balance sheet date. The Group is monitoring the situation closely and will resume construction activities on the ongoing projects in a phased manner as per the Government's directives. Further, the actual impact of Covid-19 pandemic on the Group's financial statements remains uncertain and dependant on spread of Covid-19 and steps taken by the Government to mitigate the economic impact and may differ from that estimated as at the date of approval of these consolidated financial statements.

Note – 66

Acquisitions of business during the previous year ended 31 March 2019

The Group had acquired 100% stake (with voting interests) of Concept International India LLP (acquisition date 3 October 2018), Indian Limited Liability Partnership into real estate development and rental business. The acquisition was made to enhance the Group's rental assets in Northern Region of the India. Concept International India LLP mainly had assets pertaining to land and building with respect to its rental assets, for which consideration was paid. Further the Group diluted its stake in Yashita Buildcon Limited and Concept International India LLP on 27 December 2018 (refer note 51 above).

Goodwill

The goodwill does not arise on account of mentioned acquisitions. The entire surplus in purchase consideration is absorbed by the related assets and liabilities acquired.

Contribution to the group

Concept International India LLP had contributed ₹ Nil of revenue and ₹ Nil to profit before tax since 3 October 2018 to 27 December 2018. Had the acquisition taken place at the beginning of previous year i.e. 01 April 2018, the Group's revenue for the year ended 31 March 2019 had ₹ 522,293.37 lakhs and the profit before tax had ₹ 83,978.48 lakhs.

Note - 67

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)
Holding Company								
Indiabulls Real Estate Limited	(45.38%)	(161,957.33)	(55.58%)	(6,707.86)	12.46%	(5,524.81)	37.90%	(12,232.67)
Indian subsidiaries								
Sylvanus Properties Limited	8.01%	28,575.85	(31.99%)	(3,861.51)	(0.05%)	20.86	11.90%	(3,840.65)
Lucina Land Development Limited	(1.82%)	(6,489.54)	(171.47%)	(20,695.22)	(0.07%)	29.37	64.03%	(20,665.85)
Athena Infrastructure Limited	4.27%	15,246.95	(93.40%)	(11,273.00)	0.01%	(4.73)	34.94%	(11,277.72)
Selene Constructions Limited	2.05%	7,322.26	(42.91%)	(5,178.44)	0.00%	(0.89)	16.05%	(5,179.33)
Indiabulls Infraestate Limited	38.96%	139,039.26	60.00%	7,240.97	0.01%	(4.78)	(22.42%)	7,236.19
Varali Properties Limited	0.57%	2,031.13	(5.77%)	(696.30)	0.00%	-	2.16%	(696.30)
Noble Realtors Limited	(0.07%)	(249.79)	(0.00%)	(0.13)	0.00%	-	0.00%	(0.13)
Nilgiri Infrastructure Development Limited	(0.00%)	(1.93)	(0.02%)	(2.14)	0.00%	-	0.01%	(2.14)
Vindhyachal Infrastructure Limited	0.29%	1,024.53	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Ceres Constructions Limited	0.10%	362.31	(0.01%)	(0.97)	0.00%	-	0.00%	(0.97)
Shivalik Properties Limited	0.11%	375.79	(0.01%)	(0.98)	0.00%	-	0.00%	(0.98)
Corus Real Estate Limited	0.19%	661.27	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Airmid Properties Limited	0.19%	670.19	(0.01%)	(0.76)	0.00%	-	0.00%	(0.76)
Fama Infrastructure Limited	0.04%	141.21	(0.01%)	(0.74)	0.00%	-	0.00%	(0.74)
Chloris Real Estate Limited	0.40%	1,428.37	(0.00%)	(0.51)	0.00%	-	0.00%	(0.51)
Albina Real Estate Limited	(0.01%)	(43.43)	0.44%	53.55	0.00%	-	(0.17%)	53.55
Devona Infrastructure Limited	0.00%	0.04	(2.45%)	(295.25)	0.00%	-	0.91%	(295.25)
Serida Properties Limited	0.00%	0.04	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Indiabulls Infratech Limited	0.00%	0.48	(0.04%)	(4.45)	0.00%	-	0.01%	(4.45)
Indiabulls Estate Limited	3.30%	11,766.02	(21.85%)	(2,637.32)	0.00%	(1.11)	8.17%	(2,638.42)
Indiabulls Land Holdings Limited	0.08%	297.24	(0.00%)	(0.34)	0.00%	-	0.00%	(0.34)
Nilgiri Land Development Limited	0.07%	261.05	(0.03%)	(3.42)	0.00%	-	0.01%	(3.42)
Indiabulls Commercial Estate Limited	0.12%	433.00	(0.00%)	(0.35)	0.00%	-	0.00%	(0.35)
Indiabulls Engineering Limited	0.11%	383.81	(0.00%)	(0.34)	0.00%	-	0.00%	(0.34)
Indiabulls Infrastructure Projects Limited	0.03%	105.29	(0.01%)	(1.73)	0.00%	-	0.01%	(1.73)
Nilgiri Lands Limited	0.12%	444.44	(0.02%)	(2.26)	0.00%	-	0.01%	(2.26)
Nilgiri Land Holdings Limited	0.27%	972.91	(0.00%)	(0.34)	0.00%	-	0.00%	(0.34)
Nilgiri Infrastructure Limited	0.07%	265.94	(0.04%)	(4.83)	0.00%	-	0.01%	(4.83)
Indiabulls Commercial Properties Limited	0.06%	230.80	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Airmid Developers Limited	7.82%	27,895.34	0.16%	19.52	0.00%	-	(0.06%)	19.52
Citra Properties Limited	3.93%	14,018.93	(17.81%)	(2,149.53)	0.01%	(5.03)	6.68%	(2,154.57)
Juventus Estate Limited	24.12%	86,069.99	19.49%	2,352.78	0.03%	(14.37)	(7.24%)	2,338.41
IB Holdings Limited	0.00%	0.84	(0.01%)	(1.06)	0.00%	-	0.00%	(1.06)
Platan Infrastructure Limited	(0.00%)	(0.02)	(0.00%)	(0.18)	0.00%	-	0.00%	(0.18)
Ashkit Constructions Limited	0.00%	3.72	(0.00%)	(0.28)	0.00%	-	0.00%	(0.28)
Paidia Infrastructure Limited	0.00%	4.08	(0.00%)	(0.28)	0.00%	-	0.00%	(0.28)
Lorita Developers Limited	0.01%	34.47	0.01%	1.13	0.00%	-	(0.00%)	1.13
Serida Infrastructure Limited	0.00%	0.13	(0.00%)	(0.18)	0.00%	-	0.00%	(0.18)
Vonnie Real Estate Limited	0.00%	0.25	(0.00%)	(0.18)	0.00%	-	0.00%	(0.18)
Ib Assets Limited	0.00%	0.60	(0.00%)	(0.20)	0.00%	-	0.00%	(0.20)
Fama Builders and Developers Limited	0.09%	304.24	(0.04%)	(4.86)	0.00%	-	0.02%	(4.86)
Fama Construction Limited	0.24%	846.67	0.17%	20.62	0.00%	-	(0.06%)	20.62
Fama Estate Limited	0.38%	1,360.22	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Fama Land Development Limited	0.16%	555.24	(0.01%)	(1.27)	0.00%	-	0.00%	(1.27)
Lavone Builders and Developers Limited	0.20%	713.44	(0.02%)	(2.52)	0.00%	-	0.01%	(2.52)
Juventus Infrastructure Limited	0.10%	343.64	(0.01%)	(0.72)	0.00%	-	0.00%	(0.72)
Juventus Properties Limited	0.09%	322.26	(0.02%)	(1.87)	0.00%	-	0.01%	(1.87)
Kailash Buildwell Limited	0.08%	290.78	(0.01%)	(1.00)	0.00%	-	0.00%	(1.00)
Karakoram Buildwell Limited	0.17%	598.14	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Kalsha Developers Limited	0.00%	11.59	(0.01%)	(0.88)	0.00%	-	0.00%	(0.88)
Amadis Land Development Limited	0.11%	400.26	(0.01%)	(1.02)	0.00%	-	0.00%	(1.02)
Karakoram Properties Limited	0.00%	16.80	(0.01%)	(0.88)	0.00%	-	0.00%	(0.88)
Aedos Real Estate Company Limited	0.06%	228.08	(0.01%)	(0.97)	0.00%	-	0.00%	(0.97)
Lucina Builders and Developers Limited	0.09%	323.66	(0.02%)	(2.67)	0.00%	-	0.01%	(2.67)
Lucina Buildwell Limited	0.48%	1,703.03	(0.02%)	(2.17)	0.00%	-	0.01%	(2.17)
Lucina Estate Limited	0.17%	589.20	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Lucina Properties Limited	0.08%	286.85	(0.01%)	(1.54)	0.00%	-	0.00%	(1.54)
Nilgiri Buildwell Limited	0.01%	37.99	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Selene Buildwell Limited	0.07%	243.92	(0.00%)	(0.31)	0.00%	-	0.00%	(0.31)
Selene Properties Limited	0.03%	120.67	(0.01%)	(1.35)	0.00%	-	0.00%	(1.35)
Galium Builders and Developers Limited	0.02%	81.17	(0.11%)	(13.28)	0.00%	-	0.04%	(13.28)
Triton Buildwell Limited	0.22%	788.58	(0.01%)	(1.06)	0.00%	-	0.00%	(1.06)
Triton Infrastructure Limited	0.16%	556.29	(0.01%)	(0.88)	0.00%	-	0.00%	(0.88)
Tefia Land Development Limited	0.02%	56.87	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Varali Developers Limited	0.33%	1,188.45	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Vindhyachal Developers Limited	0.06%	200.56	(0.02%)	(2.25)	0.00%	-	0.01%	(2.25)
Vindhyachal Buildwell Limited	1.23%	4,383.60	(0.00%)	(0.33)	0.00%	-	0.00%	(0.33)
Zeus Builders and Developers Limited	0.02%	86.73	(0.00%)	(0.17)	0.00%	-	0.00%	(0.17)
Zeus Properties Limited	0.26%	932.38	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Albasta Constructions Limited	0.00%	4.27	(0.00%)	(0.38)	0.00%	-	0.00%	(0.38)
Angles Constructions Limited	0.00%	0.07	(0.01%)	(0.75)	0.00%	-	0.00%	(0.75)
Albasta Developers Limited	0.00%	2.18	(0.01%)	(0.77)	0.00%	-	0.00%	(0.77)
Albasta Infrastructure Limited	0.09%	317.78	41.19%	4,971.20	0.00%	-	(15.40%)	4,971.20
Albasta Real Estate Limited	0.06%	196.48	(0.00%)	(0.51)	0.00%	-	0.00%	(0.51)

Note - 67 (Cont'd)

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)
Albasta Properties Limited	0.58%	2,074.74	(0.28%)	(33.76)	0.00%	-	0.10%	(33.76)
Albina Properties Limited	0.78%	2,801.41	(1.29%)	(156.13)	0.00%	-	0.48%	(156.13)
Angina Properties Limited	0.00%	0.17	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Apesh Properties Limited	0.06%	223.78	(0.00%)	(0.56)	0.00%	-	0.00%	(0.56)
Apesh Real Estate Limited	0.00%	0.16	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Athena Land Development Limited	0.19%	692.19	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Athena Builders and Developers Limited	0.04%	141.68	(0.01%)	(1.47)	0.00%	-	0.00%	(1.47)
Athena Buildwell Limited	0.00%	2.92	(0.01%)	(0.79)	0.00%	-	0.00%	(0.79)
Aurora Builders and Developers Limited	0.00%	0.00	(0.04%)	(4.87)	0.00%	-	0.02%	(4.87)
Citra Developers Limited	0.00%	1.41	0.05%	5.66	0.00%	-	(0.02%)	5.66
Ceres Estate Limited	(0.04%)	(155.48)	12.69%	1,531.96	0.00%	-	(4.75%)	1,531.96
Ceres Infrastructure Limited	0.10%	356.03	(0.01%)	(1.15)	0.00%	-	0.00%	(1.15)
Ceres Land Development Limited	0.14%	486.15	(0.01%)	(0.75)	0.00%	-	0.00%	(0.75)
Ceres Properties Limited	0.12%	435.53	(0.01%)	(1.03)	0.00%	-	0.00%	(1.03)
Devona Developers Limited	0.32%	1,125.85	(0.02%)	(2.25)	0.00%	-	0.01%	(2.25)
Diana Infrastructure Limited	0.42%	1,513.72	(0.03%)	(3.26)	0.00%	-	0.01%	(3.26)
Diana Land Development Limited	0.02%	63.10	(0.01%)	(0.69)	0.00%	-	0.00%	(0.69)
Elena Constructions Limited	0.00%	11.52	(0.00%)	(0.10)	0.00%	-	0.00%	(0.10)
Elena Properties Limited	0.00%	3.30	(0.00%)	(0.13)	0.00%	-	0.00%	(0.13)
Fornax Constructions Limited	0.20%	711.09	(0.01%)	(0.71)	0.00%	-	0.00%	(0.71)
Fama Properties Limited	0.06%	209.37	(0.03%)	(3.87)	0.00%	-	0.01%	(3.87)
Flora Land Development Limited	0.30%	1,074.38	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Fornax Real Estate Limited	(0.00%)	(0.09)	(0.27%)	(32.06)	0.00%	-	0.10%	(32.06)
Hermes Builders and Developers Limited	0.00%	0.09	(0.00%)	(0.60)	0.00%	-	0.00%	(0.60)
Hermes Properties Limited	0.03%	110.33	(0.01%)	(0.67)	0.00%	-	0.00%	(0.67)
Indiabulls Buildcon Limited	(0.00%)	(0.19)	(0.02%)	(2.60)	0.00%	-	0.01%	(2.60)
Makala Infrastructure Limited	2.03%	7,232.77	(0.06%)	(7.02)	0.00%	-	0.02%	(7.02)
Indiabulls Communication Infrastructure Limited	0.00%	-	(0.04%)	(4.23)	0.00%	-	0.01%	(4.23)
Indiabulls Industrial Infrastructure Limited	(0.85%)	(3,025.96)	(5.62%)	(678.02)	0.00%	(0.05)	2.10%	(678.07)
Indiabulls Constructions Limited	(29.43%)	(105,049.34)	(52.32%)	(6,314.63)	(0.02%)	10.49	19.53%	(6,304.14)
Mabon Constructions Limited	0.00%	0.30	(0.01%)	(0.80)	0.00%	-	0.00%	(0.80)
Mabon Properties Limited	0.04%	153.13	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Mabon Infrastructure Limited	0.06%	217.51	(0.01%)	(1.09)	0.00%	-	0.00%	(1.09)
Manjola Infrastructure Limited	0.00%	0.49	(0.00%)	(0.55)	0.00%	-	0.00%	(0.55)
Indiabulls Housing Developers Limited	0.00%	0.02	(0.04%)	(4.58)	0.00%	-	0.01%	(4.58)
Indiabulls Housing and Land Development Limited	0.00%	0.01	(0.04%)	(4.26)	0.00%	-	0.01%	(4.26)
Indiabulls Hotel Properties Limited	0.00%	-	(0.04%)	(4.31)	0.00%	-	0.01%	(4.31)
Lakisha Infrastructure Limited	0.00%	-	(0.04%)	(4.58)	0.00%	-	0.01%	(4.58)
Indiabulls Software Parks Limited	0.00%	-	(0.04%)	(4.52)	0.00%	-	0.01%	(4.52)
Ivonne Infrastructure Limited	0.00%	2.49	(0.02%)	(2.99)	0.00%	-	0.01%	(2.99)
Indiabulls Lands Limited	0.00%	0.16	(0.00%)	(0.48)	0.00%	-	0.00%	(0.48)
Indiabulls Multiplex Services Limited	0.00%	0.06	(0.02%)	(2.37)	0.00%	-	0.01%	(2.37)
Indiabulls Natural Resources Limited	0.00%	-	(0.04%)	(4.33)	0.00%	-	0.01%	(4.33)
Indiabulls Projects Limited	(0.00%)	(16.01)	(0.76%)	(91.47)	0.00%	-	0.28%	(91.47)
Indiabulls Realty Company Limited	0.00%	3.65	(0.21%)	(24.84)	0.00%	-	0.08%	(24.84)
Lakisha Real Estate Limited	0.00%	-	(0.02%)	(2.79)	0.00%	-	0.01%	(2.79)
Manjola Real Estate Limited	0.00%	-	(0.04%)	(4.25)	0.00%	-	0.01%	(4.25)
Juventus Constructions Limited	0.08%	279.66	(0.00%)	(0.21)	0.00%	-	0.00%	(0.21)
Juventus Land Development Limited	0.09%	329.21	(0.01%)	(0.87)	0.00%	-	0.00%	(0.87)
Lenus Constructions Limited	1.68%	5,999.50	(0.29%)	(34.77)	0.00%	-	0.11%	(34.77)
Lucina Constructions Limited	0.00%	0.05	(0.01%)	(0.66)	0.00%	-	0.00%	(0.66)
Lenus Infrastructure Limited	(0.00%)	(0.01)	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Lenus Properties Limited	0.00%	0.08	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Mariana Constructions Limited	(0.00%)	(0.10)	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Mariana Developers Limited	1.59%	5,662.46	(0.01%)	(0.95)	0.00%	-	0.00%	(0.95)
Mariana Infrastructure Limited	0.00%	-	13.23%	1,596.38	0.00%	-	(4.95%)	1,596.38
Milkyway Buildcon Limited	0.00%	15.93	(0.01%)	(1.06)	0.00%	-	0.00%	(1.06)
Mariana Properties Limited	(0.00%)	(2.58)	(0.04%)	(4.75)	0.00%	-	0.01%	(4.75)
Mariana Real Estate Limited	(0.00%)	(0.02)	(0.00%)	(0.36)	0.00%	-	0.00%	(0.36)
Nilgiri Infraestate Limited	0.00%	3.65	(0.01%)	(1.00)	0.00%	-	0.00%	(1.00)
Nilgiri Infrastructure Projects Limited	0.86%	3,063.50	0.03%	3.44	0.00%	-	(0.01%)	3.44
Nilgiri Resources Limited	0.00%	3.22	(0.00%)	(0.59)	0.00%	-	0.00%	(0.59)
Selene Builders and Developers Limited	0.00%	-	(0.01%)	(0.96)	0.00%	-	0.00%	(0.96)
Sentia Constructions Limited	0.13%	477.46	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Sentia Developers Limited	0.27%	977.20	0.00%	0.59	0.00%	-	(0.00%)	0.59
Sepset Developers Limited	0.00%	0.01	(0.01%)	(0.79)	0.00%	-	0.00%	(0.79)
Sentia Infrastructure Limited	1.95%	6,943.31	(1.20%)	(144.72)	0.00%	(0.98)	0.45%	(145.70)
Selene Infrastructure Limited	0.01%	31.51	(0.15%)	(18.60)	(0.00%)	0.02	0.06%	(18.58)
Selene Land Development Limited	0.17%	606.12	(0.01%)	(1.62)	0.00%	-	0.01%	(1.62)
Sentia Real Estate Limited	0.03%	109.03	(0.72%)	(87.41)	0.00%	-	0.27%	(87.41)
Sophia Constructions Limited	0.22%	772.88	4.65%	561.74	0.00%	-	(1.74%)	561.74
Sophia Real Estate Limited	3.72%	13,267.69	0.15%	17.59	0.00%	-	(0.05%)	17.59
Triton Estate Limited	0.00%	-	(0.01%)	(1.39)	0.00%	-	0.00%	(1.39)
Triton Properties Limited	0.11%	376.69	(0.01%)	(0.79)	0.00%	-	0.00%	(0.79)
Varali Constructions Limited	0.00%	0.48	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)

Note - 67 (Cont'd)

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)	As % of consolidated figures	Amount (₹ in lakhs)
Varali Infrastructure Limited	0.56%	1,981.72	(0.10%)	(12.38)	0.00%	-	0.04%	(12.38)
Varali Real Estate Limited	(0.00%)	(0.12)	(0.01%)	(1.07)	0.00%	-	0.00%	(1.07)
Vindhyachal Land Development Limited	0.70%	2,514.18	(0.01%)	(1.21)	0.00%	-	0.00%	(1.21)
Zeus Estate Limited	(0.00%)	(0.06)	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Hecate Power and Land Development Limited	0.00%	0.31	(0.64%)	(76.91)	0.00%	-	0.24%	(76.91)
Apesh Constructions Limited	0.13%	449.17	(0.65%)	(78.54)	0.00%	-	0.24%	(78.54)
Linnet Infrastructure Limited	0.00%	4.18	(0.00%)	(0.31)	0.00%	-	0.00%	(0.31)
Linnet Constructions Limited	0.00%	3.78	(0.00%)	(0.41)	0.00%	-	0.00%	(0.41)
Linnet Developers Limited	0.00%	3.73	(0.00%)	(0.43)	0.00%	-	0.00%	(0.43)
Linnet Real Estate Limited	0.41%	1,453.45	(0.00%)	(0.46)	0.00%	-	0.00%	(0.46)
Linnet Properties Limited	0.39%	1,376.70	(0.00%)	(0.41)	0.00%	-	0.00%	(0.41)
Edesia Constructions Limited	0.00%	4.38	(0.00%)	(0.25)	0.00%	-	0.00%	(0.25)
Edesia Developers Limited	0.00%	4.40	(0.00%)	(0.25)	0.00%	-	0.00%	(0.25)
Edesia Infrastructure Limited	0.00%	4.40	(0.00%)	(0.26)	0.00%	-	0.00%	(0.26)
Indiabulls Commercial Assets Limited	0.00%	2.00	(0.01%)	(0.68)	0.00%	-	0.00%	(0.68)
Indiabulls Housing and Constructions Limited	0.00%	-	(0.04%)	(4.37)	0.00%	-	0.01%	(4.37)
Indiabulls Real Estate Developers Limited	0.00%	-	(0.04%)	(4.35)	0.00%	-	0.01%	(4.35)
Indiabulls Real Estate Builders Limited	0.00%	-	(0.04%)	(4.34)	0.00%	-	0.01%	(4.34)
Parmida Constructions Limited	0.00%	6.49	(0.00%)	(0.08)	0.00%	-	0.00%	(0.08)
Parmida Developers Limited	0.00%	0.44	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Lorena Builders Limited	0.00%	0.12	(0.00%)	(0.30)	0.00%	-	0.00%	(0.30)
Parmida Properties Limited	0.44%	1,574.43	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Nerissa Infrastructure Limited	0.24%	843.36	(0.00%)	(0.07)	0.00%	-	0.00%	(0.07)
Devona Properties Limited	0.13%	457.67	(0.02%)	(2.19)	0.00%	-	0.01%	(2.19)
Lorena Constructions Limited	0.23%	809.80	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Lorena Developers Limited	0.19%	663.52	(0.17%)	(20.59)	0.00%	-	0.06%	(20.59)
Lorena Infrastructure Limited	0.18%	643.24	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Lorena Real Estate Limited	0.23%	805.94	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Majesta Builders Limited	0.23%	819.87	(0.00%)	(0.47)	0.00%	-	0.00%	(0.47)
Majesta Constructions Limited	0.23%	827.76	(0.03%)	(3.02)	0.00%	-	0.01%	(3.02)
Majesta Developers Limited	0.07%	262.27	(0.00%)	(0.44)	0.00%	-	0.00%	(0.44)
Majesta Infrastructure Limited	0.23%	822.44	(0.00%)	(0.29)	0.00%	-	0.00%	(0.29)
Majesta Properties Limited	0.19%	665.92	(0.00%)	(0.16)	0.00%	-	0.00%	(0.16)
Nerissa Constructions Limited	0.21%	755.22	(0.00%)	(0.50)	0.00%	-	0.00%	(0.50)
Nerissa Developers Limited	0.05%	188.30	(0.01%)	(0.81)	0.00%	-	0.00%	(0.81)
Nerissa Properties Limited	0.03%	99.15	(0.00%)	(0.15)	0.00%	-	0.00%	(0.15)
Nerissa Real Estate Limited	0.11%	403.73	(0.01%)	(1.58)	0.00%	-	0.00%	(1.58)
Tapir Land Development Limited	0.00%	0.23	(0.14%)	(16.80)	0.00%	-	0.05%	(16.80)
Serpentes Buildwell Limited	0.00%	-	(0.04%)	(4.83)	0.00%	-	0.01%	(4.83)
Cobitis Real Estate Limited	0.00%	4.26	(0.00%)	(0.37)	0.00%	-	0.00%	(0.37)
Loon Infrastructure Limited	0.00%	-	(0.04%)	(4.88)	0.00%	-	0.02%	(4.88)
Serpentes Constructions Limited	0.00%	0.80	(0.00%)	(0.02)	0.00%	-	0.00%	(0.02)
Loon Land Development Limited	0.00%	-	(0.24%)	(28.93)	0.00%	-	0.09%	(28.93)
Tapir Constructions Limited	6.80%	24,268.90	(1.98%)	(239.40)	0.00%	-	0.74%	(239.40)
Cobitis Buildwell Limited	0.01%	32.00	0.01%	1.25	0.00%	-	(0.00%)	1.25
Catherine Builders and Developers Limited	(0.00%)	(0.26)	(0.00%)	(0.14)	0.00%	-	0.00%	(0.14)
Kenneth Builders and Developers Limited	0.85%	3,029.75	(0.47%)	(56.59)	0.00%	-	0.18%	(56.59)
Bridget Builders and Developers Limited	0.00%	9.34	(0.00%)	(0.04)	0.00%	-	0.00%	(0.04)
Zeus Buildwell Limited	0.00%	0.32	(0.00%)	(0.27)	0.00%	-	0.00%	(0.27)
Airmid Real Estate Limited	(0.54%)	(1,920.76)	(0.25%)	(30.76)	0.00%	(1.76)	0.10%	(32.53)
Sepset Real Estate Limited	3.98%	14,193.04	2.18%	263.02	0.00%	(0.18)	(0.81%)	262.84
Foreign subsidiaries								-
Foundvest Limited	0.08%	297.42	(0.99%)	(119.48)	(0.10%)	45.82	0.23%	(73.66)
Arianca Limited	(0.00%)	(1.30)	(0.04%)	(4.23)	0.23%	(101.37)	0.33%	(105.60)
Indiabulls Properties Management Trustee Pte. Ltd.	0.01%	19.05	(4.12%)	(497.85)	(0.60%)	266.46	0.72%	(231.39)
Shoxell Holdings Limited	(0.00%)	(2.55)	(0.04%)	(5.08)	(1.21%)	535.83	(1.64%)	530.75
Grapene Limited	0.01%	17.90	(0.06%)	(6.86)	(2.87%)	1,271.54	(3.92%)	1,264.68
Dev Property Development Limited	0.00%	0.31	(0.28%)	(34.16)	6.55%	(2,905.98)	9.11%	(2,940.14)
Ariston Investment Limited	(0.08%)	(292.43)	(0.13%)	(15.55)	(0.48%)	210.99	(0.61%)	195.44
Ariston Investments Sub C Limited	0.08%	299.85	(0.17%)	(21.02)	0.77%	(340.90)	1.12%	(361.92)
Grand Limited	0.01%	20.84	(0.01%)	(0.62)	0.00%	(0.60)	0.00%	(1.22)
Century Limited	0.00%	-	113.92%	13,749.14	(21.37%)	9,478.91	(71.96%)	23,228.05
Nesoi Limited	0.00%	-	(114.35%)	(13,801.35)	0.44%	(196.10)	43.37%	(13,997.45)
Titan Limited	0.00%	-	(29.56%)	(3,568.24)	2.61%	(1,155.81)	14.64%	(4,724.06)
Rhea Limited	0.00%	-	0.00%	-	(0.00%)	0.00	(0.00%)	0.00
Eros Limited	0.00%	-	(126.96%)	(15,323.01)	2.08%	(922.08)	50.33%	(16,245.09)
M Holdco 1 Limited	0.20%	702.48	623.19%	75,214.16	0.00%	-	(233.03%)	75,214.16
M Holdco 2 Limited	8.26%	29,474.61	0.00%	-	0.00%	-	0.00%	-
M Holdco 3 Limited	0.00%	1.01	0.00%	-	0.00%	-	0.00%	-
Navilith Holdings Limited	2.38%	8,497.70	0.00%	-	0.00%	-	0.00%	-
Indiabulls Properties Investment Trust	0.28%	1,017.16	3.53%	426.25	(0.96%)	427.76	(2.65%)	854.00
IPMT Limited	0.00%	-	(15.67%)	(1,891.72)	0.42%	(185.48)	6.44%	(2,077.20)
Brenformexa Limited	33.04%	117,935.98	11.66%	1,407.81	(1.91%)	846.29	(6.98%)	2,254.11
Non-controlling interest in subsidiary	0.31%	1,104.74	(0.34%)	(41.29)	0.00%	(0.75)	0.13%	(42.04)
Joint venture investment as per equity method	0.00%	-	(1.31%)	(158.14)	104.01%	(46,122.81)	1.43	(46,280.95)
Total	100.00%	356,900.25	100.00%	12,069.23	100.00%	(44,346.22)	100.00%	(32,276.99)

Note - 68

Segment reporting

(i) General information

An operating segment is a component of a Group that engages in business activities from which it earns revenue and incurs expenses and for which separate financial information is available. The Group has two operating and reportable segments which are Group's strategic business units. These operating segments are monitored by Chief Operating decision maker to assess performance and evaluate strategic decisions.

Real estate sector

The Group has prime focus on construction and development of residential, commercial and SEZ projects across major Indian cities.

Rental sector

The Group has rental structure on which the Group has locked in rental for future years. In last three years, the Group has divested its stake in the entities owing rental assets.

(ii) Segment information

Year ended 31 March 2020

(₹ in lakhs)

Particulars	Real estate	Rental	Total of segments	Adjustments and eliminations	Consolidated
Revenue					
External customers	327,078.42	-	327,078.42	-	327,078.42
Inter - segment	-	-	-	-	-
Total revenue	327,078.42	-	327,078.42	-	327,078.42
Segment expenses	286,825.24	-	286,825.24	-	286,825.24
Segment profit	40,253.18	-	40,253.18	-	40,253.18
Segment assets	1,021,681.14	6,115.69	1,027,796.83	-	1,027,796.83
Segment liabilities	741,068.11	10,685.41	751,753.52	-	751,753.52

Year ended 31 March 2019

(₹ in lakhs)

Particulars	Real estate	Rental	Total of segments	Adjustments and eliminations	Consolidated
Revenue					
External customers	492,401.95	1,986.94	494,388.89	-	494,388.89
Inter - segment	-	-	-	-	-
Total revenue	492,401.95	1,986.94	494,388.89	-	494,388.89
Segment expenses	421,989.56	2,476.91	424,466.47	-	424,466.47
Segment profit	70,412.39	(489.97)	69,922.42	-	69,922.42
Segment assets	1,439,814.49	13,657.77	1,453,472.26	-	1,453,472.26
Segment liabilities	1,202,249.84	9,523.50	1,211,773.34	-	1,211,773.34

Reconciliations to amounts reflected in the financial statements

(₹ in lakhs)

(i) Reconciliation of profit	31 March 2020	31 March 2019
Segment profit	40,253.18	69,922.42
Unallocated income	16,985.14	27,904.32
Exceptional items - interest on income tax (refer note 55)	7,931.19	-
Unallocated expense	(27,244.15)	(13,848.42)
Income-tax expense	(25,656.70)	(33,945.91)
Share of (loss)/profit of joint venture	(158.14)	399.11
Profit after tax	12,110.52	50,431.52

(₹ in lakhs)

(ii) Reconciliation of assets	31 March 2020	31 March 2019
Segment operating assets	1,027,796.83	1,453,472.26
Other unallocable assets	100,868.60	165,709.14
	1,128,665.43	1,619,181.40

(₹ in lakhs)

(iii) Reconciliation of liabilities	31 March 2020	31 March 2019
Segment operating liabilities	751,753.52	1,211,773.34
Other unallocable liabilities	20,011.65	6,505.35
	771,765.17	1,218,278.69

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note – 69

During the previous year ended 31 March 2019, Century Limited has redeemed on 30 April 2018 (the 'Redemption Date'), all of the outstanding US\$175,000,000 10.25% Senior Notes due 2019 ('Securities'), which were issued by Century Limited under an indenture dated 12 November 2014 and guaranteed by the Holding Company along with its certain subsidiaries. These Securities had been redeemed at redemption price i.e. amount equal to 105.125% of US\$175,000,000. Upon redemption of the Securities, the Securities were cancelled and delisted from the SGX-ST.

Note – 70

During the previous year ended 31 March 2019, the Holding Company had exercised its option to redeem one of its investments made in redeemable preference shares which were measured at amortised cost. The Holding Company had de-recognised these during the previous year and related gain amounting to ₹ 18,713.45 lakhs was recognised in statement of profit and loss.

Note – 71

The Holding Company has already obtained approval of Board of Directors ('the Board') to buy-back up to 5 crore fully paid-up equity shares of face value ₹ 2 each of the Holding Company, representing approximately 11% of its total existing paid-up equity capital, at ₹ 100 per equity share, aggregating to total buyback size of ₹ 50,000.00 lakhs, through the "Tender Offer" route, as prescribed under SEBI (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as amended (hereinafter referred to as the "Buyback"), post completion of on-going scheme of arrangement of Chennai assets, which has been filed by the Holding Company with Registrar of Companies on 19 March 2020, the Holding Company is now eligible to launch the buy-back and hence the Board constituted Buyback Committee and has advised the Holding Company's management to initiate the process of obtaining Holding Company's shareholders approval through the process of postal ballot to implement the proposed buy-back. The proposed buy-back is expected to be completed in the subsequent quarters.

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Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020****Note – 72**

During the year ended 31 March 2020, 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. Additionally, Embassy has also reached at an advanced stage of discussions with certain foreign financial investors (‘investors’) for an investment of up to USD 200 million.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of board of directors**Neeraj Sharma**

Partner

Membership No. 502103

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Place : New Delhi**Date:** 14 May 2020**Vishal Gaurishankar Damani**

Joint Managing Director

[DIN: 00358082]

Place : Mumbai**Date:** 14 May 2020**Anil Mittal**

Chief Financial Officer

Place : Gurugram**Date:** 14 May 2020**Ravi Telkar**

Company Secretary

Place : Mumbai**Date:** 14 May 2020**Place:** New Delhi**Date:** 14 May 2020

Independent Auditor's Report

To the Members of Indiabulls Real Estate Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Indiabulls Real Estate Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 41 (II) to the consolidated financial statements for the year ended 31 March 2019 and the following Emphasis of Matter given by other auditor in their audit report dated 15 April 2019:

The Group has restated its financial statements as at 1 April 2017 with a corresponding impact as at 31 March 2018 as per the principles of Ind AS 8 for foreseeable losses in respect of one of its project. Our opinion is not modified with respect to this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Group's policies on revenue recognition is set out in Note 5.3 to the consolidated financial statements. Effective 1 April 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the full retrospective transition method. As per the principles of Ind AS 115, revenue from sale of residential/commercial properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession of properties have been issued to the customers. Further, management considers that credit risks to have been significantly eliminated when substantial sales consideration is received from the customers. The amount of revenue and cost thereon on contracts with customers forms a substantial part of the consolidated statement of profit and loss and management judgement is also involved in the interpretation of these conditions. Further, there are material changes to various captions of	Our audit procedures related to the revenue recognition included, but not limited to the following: - Assessed the applicability of Ind AS 115 in consonance with applicability of relevant laws specific to real estate; - Evaluated the appropriateness of the Group's revenue recognition policies with respect to the principles of Ind AS 115; - Enquiring from the management and inspecting the internal controls related to revenue recognition for ensuring the completeness of the customer sales, issue of possession letters and the recording of customer receipts; - Assessed the impact of change in policy from percentage of completion method to point in time recognition in previous periods as the Group has adopted full retrospective approach and accordingly, restated the previous periods. For this assessment, we have ensured the followings : a. Verification of the possession letters issued on sample basis along with the proof of deliveries to ensure completeness; b. Verification of the collection from customers for the units sold from the statement of

Key audit matter	How our audit addressed the key audit matter
the financial statements (as explained in note 41 (I)) on transition to Ind AS 115, including the change from percentage of completion method to point in time recognition of revenue recognition. Considering this shift in the revenue recognition principles and its significant impact on the consolidated financial statements of the Group, it has been considered as a key audit matter in the current year.	accounts on a sample basis to ensure receipt of substantial sales consideration; and c. Performing cut-off procedures and other analytical procedures like project wise variance analysis and margin analysis to find any anomalies. Ensured that the disclosure requirements of Ind AS 115 have been complied with.
Accounting for sale of stake in a subsidiary The Group's policies on the accounting for sale of investments is set out in Note 5.3 to the consolidated financial statements. During the year, the Group has executed definitive agreement to divest 100% stake in tranches in one of its wholly owned subsidiary, Indiabulls Infrastructure Limited and as part of said transaction, the Group has divested partial stake (through sale and buy back) in the said subsidiary, which has resulted in loss of control. Above loss of control accounting as per Ind AS 103, resulted in recognition of profit on sale of investments amounting to ₹ 1,414.67 lakhs, as presented under the Note 30 in the consolidated financial statements. As at 31 March 2019, remaining stake amounting to ₹ 34,706.36 lakhs is classified as 'Investments held for sale' and presented under the Note 20 in the consolidated financial statements. The above transaction required audit focus due to complex contractual terms, multiple agreements (judgement involved) and the significant impact on consolidated financial statement, the matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	Our procedures in relation to the accounting for sale of stake in subsidiary included, but not limited to the followings : - Understood the nature of transaction i.e. understanding of the contract terms of multiple agreements with respect to the sale and assessing the proposed accounting treatment in relation to the accounting policies and relevant Ind AS; - Reviewed the management's process for review and implementation of such transactions; - Tested the completeness and accuracy of the data used in the computation of profit on sale of investments, gain on fair valuation of the remaining stake; - Ensured that the fair value of the remaining stake, both for initial and subsequent measurement, has been appropriately computed, based on the multiple sale agreements; and - Ensured appropriate disclosures in the consolidated financial statements with respect to sale of stake in the subsidiary.

Key audit matter	How our audit addressed the key audit matter
Valuation of investments held by joint venture entities in optionally convertible preference shares The Group's policies on the valuation of investments is set out in Note 5.11 to the consolidated financial statements. At the balance sheet date 31 March 2019, two joint ventures of the Group held ₹ 104,828.00 lakhs of investments in optionally convertible preference shares of one of the subsidiary of the Group which are carried at fair value through profit and loss in the standalone financial statements of the joint venture entities. Any changes in estimates, assumptions and judgements involved may result in material changes in the valuation of investment and hence it required significant audit attention. The Group accounts for investment in joint venture entities as per the equity method. The carrying amount of the investment is adjusted for the post acquisition change in the share of net assets of the investee. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the profit/loss of the operations of the investee. Hence, any change in the fair value of the investment in optionally convertible preference shares in the standalone financial statements of the joint ventures will result in a change in the profit/loss pick up in consolidated financial statements. The management's valuation, carried out by an independent valuer on behalf of the management, is dependent upon the market conditions, which can be difficult to predict and be influenced by economic and other factors. Any errors or changes in the management/management's valuer judgement or assumptions can impact the assessment of the carrying values of the investment. Therefore, it has been considered as a key audit matter.	Our procedures in relation to the valuation of Investments held by Joint Venture Entities included, but not limited to the followings : • Understood the nature of transaction i.e. understanding the approach used for valuation and assessing the proposed accounting treatment in relation to the accounting policies and relevant Ind AS; • Enquired of the management and inspected the internal controls related to completeness of the list of investment along with the process followed to recover/adjust these; • Assessing the reasonableness of cash flows projection, challenging and performing audit procedures on management's assumptions; We challenged the management on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; • Evaluating the management's independent professional valuer's competence, capabilities and objectivity; • Involved valuation specialists to review the process used by the management to determine estimates and to test the judgments applied by management in developing the accounting estimates; • Testing the mathematical accuracy of the cash flows projection; and • Ensured that the disclosure requirements of accounting standards have been complied with.

Key audit matter	How our audit addressed the key audit matter
Valuation of investments held by subsidiary entities in equity instruments The Group's policies on valuation of Investments is set out in Note 5.11 to the consolidated financial statements. At the balance sheet date 31 March 2019, the Group held ₹ 3,182.27 lakhs of investments in equity instruments of third parties which are carried at fair value through profit and loss ('FVTPL') in the consolidated financial statements. Any changes in estimates, assumptions and judgements involved may result in material changes in the valuation of investment and hence it required significant audit attention. Any change in the fair value of the abovementioned investments will result in a change in the profit or loss in consolidated financial statements. The management's valuation is dependent upon the market conditions carried out by management's valuer, which can be difficult to predict and be influenced by economic and other factors. Any errors or changes in the management/management's valuer judgement or assumptions can impact the assessment of the carrying values of the investment. Therefore, it has been considered as a key audit matter.	Our procedures in relation to the valuation of Investments held by the Group included, but not limited to the followings : • Understood the nature of transaction i.e. understanding the approach used for valuation and assessing the proposed accounting treatment in relation to the accounting policies and relevant Ind AS; • Enquired of the management and inspected the internal controls related to completeness of the list of investments along with the process followed to recover/adjust these; • We challenged the managements on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; • Evaluating the management's independent professional valuer's competence, capabilities and objectivity; • Assessing the valuation methodology used by the independent professional valuer to estimate the fair value of the investments; • Testing the mathematical accuracy of the cash flows projection; and • Ensured that the disclosure requirements of accounting standards have been complied with.
Assessing the carrying value of inventory The accounting policies for Inventories are set out in Note 5.4 to the consolidated financial statements. Inventories of the Group comprise of real estate properties (including land) are disclosed under note 16. Impairment assessment of inventory is considered as a significant risk as there is a risk that recoverability of the carrying value of the inventory could not be established, and potential	Our procedures in relation to the valuation of inventory held by the group included, but not limited to the followings : • Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Net Realisable Value (NRV); • Enquired of the management and inspected the internal controls related to inventory valuation along with the process followed to

Key audit matter	How our audit addressed the key audit matter
impairment charge might be required to be recorded in the consolidated financial statements. Management's assessment of the recoverable amounts is a judgmental process which requires the estimation of the net realisable value, which takes into account the valuations of the properties held and cash flow projections of real estate properties under development. Due to their materiality in the context of the Group's financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	recover/adjust these and assessed whether impairment is required; - For real estate properties under development, obtained and assessed the management evaluation of the NRV. We also assessed the management's valuation methodology applied in determining the recoverable amount and tested the underlying assumptions used by the management in arriving at those projections; - We challenged the management on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; - Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists; - For land parcels, obtained and verified the valuation of land parcels as per the government prescribed circle rates, wherever necessary; - Tested the arithmetical accuracy of the cash flow projections; and - We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint ventures are responsible for assessing the ability of the Group and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and joint ventures (covered under the Act) have adequate internal financial controls system in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of ₹ 3,147,162.57 lakhs and net assets of ₹ 934,034.57 lakhs as at 31 March 2019, total revenues of ₹ 168,094.81 lakhs and net cash inflows amounting to ₹ 34,010.55 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Further, of these subsidiaries, certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting

principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, and matters identified and disclosed under key audit matters section above, in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditor, referred to in paragraph 16, on separate financial statements of the subsidiaries, we report that the Holding Company and certain subsidiary companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that certain subsidiary companies and certain joint venture companies covered under the Act have not paid or provided for any managerial remuneration during the year.
18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and joint venture companies covered under the Act, none of the directors of the Group companies and joint venture companies covered under the Act, are disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the

report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures as detailed in Note 44A(ii), Note 44A(iii), Note 44A(iv), and Note 44A(v) to the consolidated financial statements.;
- ii. The Holding Company and its joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and joint venture companies during the year ended 31 March 2019; and
- iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

Place: Gurugram
Date: 23 April 2019

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the consolidated financial statements for the year ended 31 March 2019

Annexure A

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Indiabulls Real Estate Limited ("the Holding Company"), and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary companies and its joint venture companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the respective company's business, including adherence to the respective company's policies, the safeguarding of the respective company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies and its joint venture companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary companies and its joint venture companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and its joint venture companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the IFCoFR in so far as it relates to certain subsidiary companies, which are companies incorporated in India, whose financial statements reflect total assets of ₹ 1,515,125.11 lakhs and net assets of ₹ (161,620.60) lakhs as at 31 March 2019 total revenues of ₹ 164,940.40 lakhs and net cash outflows amounting to ₹ (12,534.76) lakhs for the year ended on that date as considered in the consolidated financial statements. The IFCoFR in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its subsidiary companies, which are companies incorporated in India, under Section 143(3)(i) of the Act in so far as it relates to the aforesaid subsidiary companies, which are companies incorporated in India, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Sharma

Partner

Membership No.: 502103

Place: Gurugram

Date: 23 April 2019

Indiabulls Real Estate Limited
Consolidated balance sheet as at 31 March 2019

	Note	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs) (Restated)*	01 April 2017 (` in lakhs) (Restated)*
I ASSETS				
Non-current assets				
Property, plant and equipment	6	5,130.61	6,031.53	12,865.50
Capital work-in-progress		-	-	96.03
Investment property	7	13,682.95	89,108.36	365,781.63
Intangible assets	8	105.67	48.51	55.27
Investment accounted for using the equity method	9	240,331.84	224,515.70	-
Financial assets				
Investments	10A	16,324.39	22,636.20	34,201.36
Loans	11A	2,387.36	14,960.81	6,237.48
Other financial assets	12A	23,922.97	403.22	626.93
Deferred tax assets (net)	13	64,352.10	99,632.16	125,396.90
Non-current tax assets (net)	14	18,333.67	19,300.15	31,487.94
Other non-current assets	15A	17,367.32	17,446.86	19,530.08
		401,938.88	494,083.50	596,279.12
Current assets				
Inventories	16	984,886.43	1,136,118.04	1,315,546.49
Financial assets				
Investments	10B	159.12	138,715.47	53,321.13
Trade receivables	17	26,967.50	1,433.06	7,022.23
Cash and cash equivalents	18	60,291.41	167,357.11	35,209.45
Other bank balances	19	13,488.68	12,037.43	19,792.34
Loans	11B	53,897.60	15,454.02	16,827.17
Other financial assets	12B	933.22	8,103.41	119.35
Other current assets	15B	41,912.20	34,691.88	57,519.33
Assets held for sale	20	34,706.36	-	-
		1,217,242.52	1,513,910.42	1,505,357.49
		1,619,181.40	2,007,993.92	2,101,636.61
II EQUITY AND LIABILITIES				
Equity				
Equity share capital	21A	9,013.61	9,493.48	8,718.29
Instruments entirely equity in nature	21C	104,828.00	104,828.00	-
Other equity	22	285,998.40	285,012.01	49,061.66
Equity attributable to the owners of the Holding Company		399,840.01	399,333.49	57,779.95
Non-controlling interests		1,062.70	1,042.69	71,089.44
Total equity		400,902.71	400,376.18	128,869.39
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	23A	340,530.96	299,997.74	749,174.32
Trade payables	24A			
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		11,764.29	20,439.22	31,826.82
Other financial liabilities	25A	-	3,908.42	33,752.96
Provisions	26A	1,591.29	955.80	866.28
Other non-current liabilities	27A	17,445.12	17,459.87	21,819.09
		371,331.66	342,761.05	837,439.47
Current liabilities				
Financial liabilities				
Borrowings	23B	101,500.00	92,500.00	50,800.00
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	24B(i)	4,632.57	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	24B(ii)	85,128.30	45,221.09	30,937.19
Other financial liabilities	25B	165,819.01	304,729.29	205,323.34
Redeemable preference shares	28	45,000.00	-	-
Other current liabilities	27B	442,242.54	817,917.14	834,458.56
Provisions	26B	155.41	79.93	55.19
Current tax liabilities (net)	29	2,469.20	4,409.24	13,753.47
		846,947.03	1,264,856.69	1,135,327.75
		1,619,181.40	2,007,993.92	2,101,636.61
Summary of significant accounting policies	5			
The accompanying notes are integral part of the consolidated financial statements.				

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No :502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Gurugram
Date: 23 April 2019

Anil Mittal
Chief Financial Officer

Ravi Telkar
Company Secretary

Indiabulls Real Estate Limited
Consolidated statement of profit and loss for the year ended 31 March 2019

	Note	For the year ended 31 March 2019 (₹ in lakhs)	For the year ended 31 March 2018 (₹ in lakhs) (Restated)*
Revenue			
Revenue from operations (in previous year, inclusive of gain as referred to in note 55)	30	494,388.89	450,266.52
Other income	31	9,190.87	22,917.55
Net gain on de-recognition of financial asset carried at amortised cost	67	18,713.45	-
		522,293.21	473,184.07
Expenses			
Cost of revenue	32		
Cost incurred during the year		202,619.70	49,214.72
Decrease/(increase) in real estate properties		151,231.61	(11,705.82)
Employee benefits expense	33	13,848.42	12,808.57
Finance costs	34	46,431.69	74,422.70
Depreciation and amortization expense	35	1,744.56	9,650.79
Other expenses	36	22,438.91	68,869.47
		438,314.89	203,260.43
Profit before tax and share of profit/(loss) from joint ventures		83,978.32	269,923.64
Share of profit/(loss) from joint ventures		399.11	(484.30)
Profit before tax		84,377.43	269,439.34
Tax expense	37		
Current tax (including earlier years) (refer note 53)		412.08	13,390.85
Less: Minimum alternate tax credit entitlement		(3.05)	(1,038.98)
Deferred tax charge		33,536.88	21,131.36
Net profit for the year		50,431.52	235,956.11
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement loss on defined benefit plans		(258.94)	(16.80)
Income tax effect		33.14	6.57
Net loss on equity instruments through other comprehensive income		(5,913.12)	(7,239.32)
Share of other comprehensive income of joint ventures accounted for using the equity method		(411.20)	-
Items that will be reclassified to profit and loss			
Exchange differences on translation of foreign operations		1,217.91	12,638.61
Gain on net investment hedge		2,577.99	-
Other comprehensive income		(2,754.22)	5,389.06
Total comprehensive income for the year		47,677.30	241,345.17
Net profit is attributable to			
Owners of the Holding Company		50,414.57	237,284.52
Non-controlling interests		16.95	(1,328.41)
		50,431.52	235,956.11
Other comprehensive income is attributable to			
Owners of the Holding Company		(2,757.28)	5,386.81
Non-controlling interests		3.06	2.25
		(2,754.22)	5,389.06
Total comprehensive income is attributable to			
Owners of the Holding Company		47,657.29	242,671.33
Non controlling interests		20.01	(1,326.16)
		47,677.30	241,345.17
Earnings per equity share	38		
Basic (₹)		11.04	50.00
Diluted (₹)		11.04	49.42

Summary of significant accounting policies

The accompanying notes are integral part of the consolidated financial statements.

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

This is the consolidated statement of profit and loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the **Board of Directors**

Neeraj Sharma

Partner

Membership No :502103

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Vishal Gaurishanker Damani

Joint Managing Director

[DIN: 00358082]

Place: Gurugram

Date: 23 April 2019

Anil Mittal

Chief Financial Officer

Ravi Telkar

Company Secretary

A Equity share capital*									(` in lakhs)					
Particulars	Balance as at 1 April 2017	Issue of equity share capital during the year	Buyback of equity share capital during the year	Sale of treasury shares	Balance as at 31 March 2018	Issue of equity share capital during the year	Buyback of equity share capital during the year	Balance as at 31 March 2019						
Equity share capital	9,568.29	41.11	115.92	-	9,493.48	40.13	520.00	9,013.61						
Less: Treasury shares (refer note 54)	(850.00)	-	-	850.00	-	-	-	-						
	8,718.29	41.11	115.92	850.00	9,493.48	40.13	520.00	9,013.61						

B Instruments entirely equity in nature**						(` in lakhs)	
Particulars	Balance as at 1 April 2017	Movement during the year	Balance as at 31 March 2018	Movement during the year	Balance as at 31 March 2019		
Optionally convertible redeemable preference shares	-	104,828.00	104,828.00	-	104,828.00		
	-	104,828.00	104,828.00	-	104,828.00		

C Other equity***															(` in lakhs)	
Description	Reserves and surplus								Other comprehensive income			Equity attributable to owners of Holding Company	Non-controlling interests	Total equity		
	General reserve	Capital reserve	Debenture redemption reserve	Capital redemption reserve	Deferred employee compensation reserve	Securities premium	Capital reserve on consolidation	Retained earnings	Fair valuation of equity instruments	Net investment hedge reserve	Foreign currency translation reserve					
Balance as at 1 April 2017 (Restated)^	53,312.65	27,720.50	28,937.54	1,565.00	2,972.60	492,901.09	103,836.65	(634,524.04)	(15,109.67)	-	(12,550.66)	49,061.66	71,089.44	120,151.10		
Profit for the year	-	-	-	-	-	-	-	237,284.52	-	-	-	237,284.52	(1,328.41)	235,956.11		
Other comprehensive income																
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	-	(10.23)	-	-	-	(10.23)	2.25	(7.98)		
Net loss on equity instruments through other comprehensive income	-	-	-	-	-	-	-	-	(7,239.32)	-	-	(7,239.32)	-	(7,239.32)		
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	12,638.61	12,638.61	-	12,638.61		
Share based payment expense	-	-	-	-	419.72	-	-	-	-	-	-	419.72	-	419.72		
Issue of equity shares (including exercise of stock options)	-	-	-	-	(592.88)	2,126.19	-	-	-	-	-	1,533.31	-	1,533.31		
Sale of treasury shares (refer note 54)	-	-	-	-	-	87,365.01	-	-	-	-	-	87,365.01	-	87,365.01		
Transfer from retained earnings on account of buy back of equity shares and creation of debenture redemption reserve/capital redemption reserve	-	-	2,500.00	115.92	-	-	-	(2,615.92)	-	-	-	-	-	-		
Buyback of equity shares	-	-	-	-	-	(5,080.75)	-	-	-	-	-	(5,080.75)	-	(5,080.75)		
Loss of control in subsidiaries	-	-	-	-	-	-	396.14	(90,320.92)	-	-	-	(89,924.78)	(64,460.34)	(154,385.12)		
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(1,035.74)	-	-	-	(1,035.74)	(4,260.25)	(5,295.99)		
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(229.24)	-	-	229.24	-	-	-	-	-	-		
Balance as at 31 March 2018 (Restated)^	53,312.65	27,720.50	31,437.54	1,680.92	2,570.20	577,311.54	104,232.79	(490,993.09)	(22,348.99)	-	87.95	285,012.01	1,042.69	286,054.70		
Profit for the year	-	-	-	-	-	-	-	50,414.57	-	-	-	50,414.57	16.95	50,431.52		
Other comprehensive income																
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	-	(228.84)	-	-	-	(228.84)	3.06	(225.78)		
Net loss on equity instruments through other comprehensive income	-	-	-	-	-	-	-	-	(5,913.12)	-	-	(5,913.12)	-	(5,913.12)		
Share of other comprehensive income of joint ventures accounted for using the equity method	-	-	-	-	-	-	-	(411.20)	-	-	-	(411.20)	-	(411.20)		
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	1,217.91	1,217.91	-	1,217.91		
Gain on net investment hedge	-	-	-	-	-	-	-	(3,806.36)	-	2,577.99	-	(1,228.37)	-	(1,228.37)		
Share based payment expense	-	-	-	-	351.31	-	-	-	-	-	-	351.31	-	351.31		
Issue of equity shares (including exercise of stock options)	-	-	-	-	(807.65)	1,838.04	-	-	-	-	-	1,030.39	-	1,030.39		
Transfer from retained earnings on account of buy back of equity shares and creation of debenture redemption reserve/capital redemption reserve	-	-	937.50	520.00	-	-	-	(1,457.50)	-	-	-	-	-	-		
Buyback of equity shares	-	-	-	-	-	(44,246.26)	-	-	-	-	-	(44,246.26)	-	(44,246.26)		
Balance as at 31 March 2019	53,312.65	27,720.50	32,375.04	2,200.92	2,113.86	534,903.32	104,232.79	(446,482.42)	(28,262.11)	2,577.99	1,305.86	285,998.40	1,062.70	287,061.12		

*Refer note 21.A for details
**Refer note 21C for details
***Refer note 22 for details
^^Refer note 41 (1) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

This is the consolidated statement of changes in equity referred to in our report of even date.

For Walker ChandioK & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No :502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Anil Mittal
Chief Financial Officer

Ravi Telkar
Company Secretary

Place: Gurugram
Date: 23 April 2019

Indiabulls Real Estate Limited
Consolidated cash flow statement for the year ended 31 March 2019

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs) (Restated)*
A Cash flow from operating activities:		
Profit before tax and share of profit/(loss) from joint ventures	83,978.32	269,923.64
<i>Adjustments for:</i>		
Interest expenses	45,966.08	69,553.47
Depreciation and amortization expenses	1,744.56	9,650.79
Other borrowing costs	300.24	526.85
Impairment for non-financial assets	-	4,321.24
Impairment of inventory	72,380.00	-
Provision for expected loss	1,796.72	-
Loss/(profit) on sale of property, plants and equipment (net)	463.75	(105.54)
Interest income	(4,268.30)	(9,726.14)
Dividend income	-	(615.53)
Amortisation of derivative balance (difference between forward and spot element)	(664.43)	-
Excess provision/liabilities written back	(737.19)	-
Provision for employee benefits	481.76	269.71
Share based payment expense	351.31	419.72
Share of (profit)/loss from joint ventures	(12.09)	484.30
Land advances written off	-	20,138.05
Investments written off	115.00	1,984.00
Loans written off	-	917.63
Gain on fair valuation of financial instruments	(1,457.26)	(616.08)
Profit on sale of investments in mutual funds (net)	(1,624.48)	(2,798.84)
Profit on sale of guaranteed senior notes (net)	-	(8,179.46)
Profit on loss of control in subsidiaries and gain on fair valuation of remaining stake	(13,390.02)	(277,712.85)
Profit on sale of investments	(4,448.78)	(26,133.51)
Profit on sale of stake in subsidiaries	(1,414.67)	(4,678.51)
Gain on amortized cost financial asset	(18,713.45)	-
Operating profit before working capital changes and other adjustments:	160,847.07	47,622.94
<i>Working capital changes and other adjustments:</i>		
Decrease/(increase) in inventories	85,187.02	(93,983.60)
Increase in trade receivables	(25,761.05)	(63,918.78)
Decrease in current and non-current loans	12,967.96	1,083.34
Increase in other current and non-current assets	(11,357.24)	(16,222.58)
Increase in other current and non-current financial assets	(16,249.08)	(8,103.03)
Increase in trade payables	36,026.04	22,237.26
Increase in other current and non-current financial liabilities	33,201.48	2,325.92
(Decrease)/increase in other current liabilities	(387,443.17)	49,180.02
Decrease in non-current liabilities and provisions	(14.76)	(5,356.74)
Cash used in operating activities	(112,595.73)	(65,135.25)
Income taxes paid (net)	(3,334.13)	(23,919.54)
Net cash used in operating activities	(115,929.86)	(89,054.79)
B Cash flow from investing activities:		
Purchase of property, plant and equipment, investment property and intangible assets	(12,534.78)	(20,900.40)
Proceeds from sale of property, plant and equipment and intangible assets	8,910.77	-
Dividend received	-	615.53
Movement in fixed deposits (net)	(2,363.80)	6,687.02
Proceeds from redemption of investments - preference shares	25,177.00	-
Proceed from sale of non-current investments	64,646.71	297,480.25
Purchase of non-current investments	(3,411.08)	(177,659.12)
Proceed from sale/(purchase) of current investments (net)	139,425.83	(88,541.02)
Inter-corporate loans given (net)	(45,167.19)	(1,324.20)
Interest received	3,800.11	5,817.24
Net cash flow from investing activities	178,483.57	22,175.30
C Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	1,070.53	89,789.43
Buyback of equity shares	(44,766.26)	(5,196.67)
Proceeds from issue of preference shares	45,000.00	-
Proceeds from issue of instruments entirely in the nature of equity by subsidiary company	-	104,828.00
Proceeds from borrowings from banks	377,155.35	41,910.31
Repayment of borrowings to banks	(378,223.41)	(18,354.99)
Proceeds from issue of debentures	49,732.00	156,350.69
Redemption of debentures	(162,500.00)	(110,000.00)
Proceeds from issue of commercial paper	423,000.00	711,500.00
Repayment of commercial paper	(414,000.00)	(664,000.00)
Interest paid	(65,704.09)	(100,548.35)
Other borrowing costs	(300.24)	(548.43)
Net cash (used in)/flow from financing activities	(169,536.12)	205,729.99
D Opening cash and cash equivalents of subsidiaries acquired/sold (net)	(83.29)	(6,702.84)

Indiabulls Real Estate Limited
Consolidated cash flow statement for the year ended 31 March 2019 (cont'd)

	31 March 2019	31 March 2018
	(` in lakhs)	(` in lakhs)
		(Restated)*
E Net (decrease)/increase in cash and cash equivalents (A+B+C+D)	(107,065.70)	132,147.66
F Cash and cash equivalents at the beginning of the year	167,357.11	35,209.45
G Cash and cash equivalents at the end of the year (E+F)	60,291.41	167,357.11

Notes:
a) Cash and cash equivalents includes (refer note 18) :

Cash on hand	11.46	28.19
Balances with banks		
In current accounts	10,981.26	153,569.96
Bank deposits with original maturity upto three months	49,298.69	13,758.96
Total of cash and cash equivalents	60,291.41	167,357.11

This is the consolidated cash flow statement referred to in our report of even date.

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the **Board of Directors**

Neeraj Sharma

Partner

Membership No :502103

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Vishal Gaurishanker Damani

Joint Managing Director

[DIN: 00358082]

Place: Gurugram

Date: 23 April 2019

Anil Mittal

Chief Financial Officer

Ravi Telkar

Company Secretary

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

1. Nature of principal activities

Indiabulls Real Estate Limited ('the Holding Company') was incorporated on 04 April 2006 with the main objects of carrying on the business of real estate project advisory, project marketing, maintenance of completed projects, engineering, industrial and technical consultancy, construction and development of real estate properties and other related and ancillary activities. The Holding Company is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi – 110001.

Indiabulls Real Estate Limited ('the Holding Company'), its subsidiaries and joint ventures (the Holding Company, its subsidiaries and joint ventures together referred to as "the Group") in the following notes.

2. General information and statement of compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

These consolidated financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 23 April 2019. The revisions to the consolidated financial statements is permitted by the Board of Directors of the Holding Company after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Recent accounting pronouncement

Ind AS 116, Leases

On 30 March 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Further, in case of an operating lease, lessors are required to record lease income on straight line basis. The Group is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 12, Income taxes

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those

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past transactions or events in accordance with Ind-AS 109. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 19, Employee benefits

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 23, Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 23 "Borrowing Costs" clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 1 April 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 109, Financial instruments

On 30 March 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 1 April 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 28, Investments in associates and joint ventures

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 28 "Investments in Associates and Joint Ventures" in relation to long-term interests in associates and joint ventures. The amendment clarifies that an entity applies Ind-AS 109 to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. This amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 103, Business combinations

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 103, "Business Combinations". The amendment clarifies that when an entity obtains control of a business that is a joint operation, it shall need to re-measure the previously held interests in that business. This amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 111, Joint arrangements

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 111, "Joint Arrangements". The amendment clarifies that when an entity obtains joint control of a business that is a joint operation, the entity shall not re-measure previously held interests in that business. This amendment is effective

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for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

5. Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

5.1 Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group has power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Statement of profit and loss (including other comprehensive income ("OCI")) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2019.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains/(losses) on transactions between group companies are eliminated. The accounting principles and policies have been consistently applied by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including each component of OCI) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and the such balance is attributed even if this results in the non-controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Joint ventures

Investments in joint arrangements are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement. The Group has classified its investment in joint arrangement as joint ventures.

Interest in joint venture are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting principles and policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

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5.2 Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are generally recognized in the statement of profit and loss as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

Goodwill is initially measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred and where exists clear evidence of underlying reasons of classifying business combinations as bargain purchase, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

5.3 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Group applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

Revenue from sale of properties

Revenue from sale of properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration is received from the customers.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Group when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

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Revenue from construction contracts

Revenue and related expenditures in respect of short-term works contracts that are entered into and completed during the year are accounted for on accrual basis as they are earned. Revenue and related expenditures in respect of long-term works contracts are accounted for on the basis of 'input method' as the performance obligations are satisfied over time. In case of cost plus contracts, revenue is recognised as per terms of specific contract, i.e. cost incurred plus an agreed profit margin. Further, the Group considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue from sale of land

Revenue from sale of land is recognised in the year in which the underlying sale deed is executed and there exists no uncertainty in the ultimate collection of consideration from buyer.

Base rent and amenities income

Base rent and amenities income are recognised on a straight-line basis over the terms of the lease, except for contingent rental income, which is recognised when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs. Base rent comprises rental income earned from the operating leases and finance lease of the owned properties. Amenities income is rental revenue earned from the letting of space at the properties for amenities (including canteen space and business centre) is recognised in the period in which the services are being rendered.

Land lease income

Upfront lease premium received/receivable is recognized on operating lease basis i.e. on straight line basis over the lease term of the lease/sub-lease arrangement. Annual lease rentals are recognized on an accrual basis.

Operations and maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognised in the period in which the services are being rendered. A receivable is recognised by the Group when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, the Group considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying business

Profit on sale of investments of entities in the real estate business is recognised in the year in such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business.

Gain on fair valuation of investment (remaining stake)

Gain on fair valuation of investment is recognised in the year in which the investment fair valued basis the consideration received for the proportionate stake sale. The said gain is recognised as part of other operating income as there is underlying business of real estate development.

Service revenue

Income from real estate advisory services is recognized on accrual basis when services are completed, except in cases where ultimate collection is considered doubtful.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

Car parking income

Car park income is recognised in the period in which the services are rendered.

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Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders of the investee entity approve the dividend.

Gain on de-recognition of financial asset carried at amortised cost

Gain on de-recognition of financial asset carried at amortised cost is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

5.4 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realisable value, on the basis of first-in first-out method.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

5.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

5.6 Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in progress

Capital work-in progress excludes capital advances but includes property, plant and equipment under construction and not ready for intended use as on balance sheet date.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

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Asset class	Useful life
Building – temporary structures	1 – 3 years
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years
Ship	13 years

Leasehold improvements

Leasehold improvements have finite useful life and, therefore, are capitalised separately and amortised over the lease period or the estimated useful life of the leasehold improvements. Presently, the estimated useful life of the assets is less than the lease period and is as below:

Asset class	Useful life
Boundary wall	5 years
Water pipeline	12 years
Other infrastructure works	10 years
Electrical work	10 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

5.7 Investment property

Recognition and initial measurement

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual valuation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Subsequent measurement (depreciation and useful lives)

Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

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Asset class	Useful life
Building and related fixtures	
Buildings	60 years
Fixtures	10 years
Plant and equipment	12 - 15 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

Investment property under development

Investment property under development represents expenditure incurred in respect of capital projects are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

5.8 Intangible assets

Recognition and initial measurement

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a useful life of 3 to 4 years from the date of its acquisition.

De-recognition

Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

5.9 Leases

Where the Group is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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Lease other than finance lease is treated as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except when the lease rentals, increase are in line with expected inflationary costs.

Where the Group is the lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except for contingent rental income, which is recognised when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

5.10 Impairment of non-financial assets

At each reporting date, the Group and its joint ventures assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

5.11 Financial instruments

Financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

- i. **Debt instruments at amortised cost** – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Equity investments** – All equity investments in scope of Ind AS 109 Financial Instruments ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and

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loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

- iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, most of the liabilities are measured at amortised cost using the effective interest method.

Recognition and initial and subsequent measurement – fair value

A financial liability is classified as fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains/losses, including any interest expense are recognised in statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Net investment hedge

The Holding Company has entered into certain forward (derivative) contracts to hedge foreign currency risk. Derivative financial instruments are accounted at FVTPL except for derivatives designated as hedging instruments. To qualify for hedge accounting, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction.

Hedge of net investments in foreign operations are accounted for similar to cash flow hedges. The changes in fair value of forward element is recognised in other comprehensive income and accumulated in foreign currency translation reserve in equity. The difference between forward and spot element at the date of designation of hedging instrument is amortised over the period of hedge. Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

5.12 Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group factors historical trends and forward looking

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information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

5.13 Foreign currency

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Holding Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Translation of foreign operations

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. In respect of foreign operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the statement of profit and loss are translated at the average exchange rate (that approximates the actual exchange rates) during the year. The exchange difference arising out of the translation are recognized in other comprehensive income and are accumulated as foreign currency translation reserve, in the balance sheet until the disposal of the net investments at which time they are recognised as income or as expenses.

5.14 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of current tax and deferred tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT

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credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences (including differences arising on account of consolidation) between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the forecast of future operating results of respective entity, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

5.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

5.16 Employee benefits

Defined contribution plan

The Group's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate properties under development, as the case may be. The Group's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Defined benefit plan

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

5.17 Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Holding Company.

5.18 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

5.19 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

5.20 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Classification of leases – The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

The following are significant estimates in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Revenue and inventories – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilization of asset.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

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6 Property, plant and equipment

									(` in lakhs)
	Leasehold improvements	Building - temporary structure	Plant and equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Ships	Total
Gross block									
At 1 April 2017	3,425.23	320.84	13,539.06	1,167.65	867.47	3,231.39	1,629.94	78.55	24,260.13
Additions	-	1.05	260.18	65.99	90.57	441.93	411.18	-	1,270.90
Adjustment for disposals# (refer note 55)	-	111.35	8,946.96	899.45	543.12	2,156.52	564.18	-	13,221.58
Balance as at 31 March 2018	3,425.23	210.54	4,852.28	334.19	414.92	1,516.80	1,476.94	78.55	12,309.45
Additions	-	18.03	45.02	49.49	102.87	34.82	250.54	-	500.77
Adjustment for disposals# (refer note 59 and 60)	-	17.37	214.47	181.68	58.73	6.01	13.58	-	491.84
Balance as at 31 March 2019	3,425.23	211.20	4,682.83	202.00	459.06	1,545.61	1,713.90	78.55	12,318.38
Accumulated depreciation									
At 1 April 2017	251.52	315.23	6,548.59	881.33	667.44	1,765.40	950.31	14.81	11,394.63
Charge for the year	504.42	4.86	1,410.24	114.34	117.14	370.69	197.05	6.04	2,724.78
Adjustments for disposals# (refer note 55)	-	111.35	4,798.08	773.17	462.62	1,406.89	289.38	-	7,841.49
Balance as at 31 March 2018	755.94	208.74	3,160.75	222.50	321.96	729.20	857.98	20.85	6,277.92
Charge for the year	504.42	3.34	362.48	43.66	72.79	169.38	170.03	6.04	1,332.14
Adjustment for disposals# (refer note 59 and 60)	-	17.37	155.87	176.17	54.45	6.01	12.42	-	422.29
Balance as at 31 March 2019	1,260.36	194.71	3,367.36	89.99	340.30	892.57	1,015.59	26.89	7,187.77
Net block as at 31 March 2018	2,669.29	1.80	1,691.53	111.69	92.96	787.60	618.96	57.70	6,031.53
Net block as at 31 March 2019	2,164.87	16.49	1,315.47	112.01	118.76	653.04	698.31	51.66	5,130.61

This also includes property, plant and equipment of subsidiaries where controlling stake is disposed off during the year.

Notes :

- 1 During the year, depreciation of ` 116.22 lakhs (31 March 2018: ` 836.53 lakhs) has been inventorized as part of real estate properties under development.
- 2 Refer note 23A for details of property, plant and equipment pledged as security.

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7 Investment property

A Completed investment property

	Land	Building and related fixtures	Plant and equipment*	Total
Gross block				
At 1 April 2017	59,705.97	218,715.31	35,859.85	314,281.13
Additions	-	2,840.36	397.55	3,237.91
Adjustments for disposals# (refer note 55)	50,338.48	185,648.86	27,188.14	263,175.48
Balance as at 31 March 2018	9,367.49	35,906.81	9,069.26	54,343.56
Additions on account of acquisition of subsidiary	1,564.61	5,394.41	2,707.57	9,666.59
Adjustment for disposals# (refer note 59 and 60)	10,932.10	41,301.22	11,776.83	64,010.15
Balance as at 31 March 2019	-	-	-	-
Accumulated depreciation				
At 1 April 2017	-	17,120.73	12,081.14	29,201.87
Charge for the year	-	3,689.11	4,042.64	7,731.75
Adjustments for disposals# (refer note 55)	-	20,145.25	14,714.25	34,859.50
Balance as at 31 March 2018	-	664.59	1,409.53	2,074.12
Charge for the year	-	302.64	196.76	499.40
Adjustment for disposals# (refer note 59 and 60)	-	967.23	1,606.29	2,573.52
Balance as at 31 March 2019	-	-	-	-
Net block as at 31 March 2018	9,367.49	35,242.22	7,659.73	52,269.44
Net block as at 31 March 2019	-	-	-	-

B Investment property under development

Gross block				
At 1 April 2017	-	80,702.37	-	80,702.37
Additions	13,500.34	7,958.79	-	21,459.13
Additions##	1,508.34	6,879.19	-	8,387.53
Adjustment for disposals (refer note 55)	-	73,710.11	-	73,710.11
Balance as at 31 March 2018	15,008.68	21,830.24	-	36,838.92
Additions	8,952.91	3,996.21	-	12,949.12
Adjustment for disposals# (refer note 59 and 60)	22,453.25	13,651.84	-	36,105.09
Balance as at 31 March 2019	1,508.34	12,174.61	-	13,682.95

C Total of investment property (A+B)

Net block as at 31 March 2018	24,376.17	57,072.46	7,659.73	89,108.36
Net block as at 31 March 2019	1,508.34	12,174.61	-	13,682.95

*These plant and equipments are ancillary to buildings

#This also includes property, plant and equipment of subsidiaries where controlling stake is disposed off during the year.

##During the previous year ended 31 March 2018, Mariana Infrastructure Limited, a wholly owned subsidiary of the Holding Company has transferred entire inventory to investment property under development, in the view of the intent of the management to convert the development of residential property to development of commercial property for long term lease. The details of amount transferred are as follows:

Particular	Amount (₹ in lakhs)
Opening balance of inventory as at 1 April 2017	4,095.34
Add: Cost on reversal of revenue	4,292.19
Transfer to investment property	8,387.53

(i) Capitalisation of borrowing costs

During the year, borrowing cost of ₹ 598.44 lakhs (31 March 2018: ₹ Nil) has been inventorized as part of investment property under development.

(ii) Contractual obligations

Refer to note 44B(i) for disclosure of contractual commitments for investment property.

(iii) Investment property pledged as security

All the above investment property has been pledged as security by the Group.

(iv) Amounts recognised in statement of profit or loss for investment properties

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Rental income (including maintenance and car park income)	1,986.94	66,585.31
Less: Direct operating expenses generating rental income (including repair and maintenance)	979.46	24,067.66
Less: Direct operating expenses that do not generate rental income (including repair and maintenance)	153.52	109.80
Profit from leasing of investment properties before depreciation and indirect expenses	853.96	42,407.85
Less: Depreciation	499.40	7,731.75
Profit from leasing of investment properties before indirect expenses	354.56	34,676.10

(v) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 45 for details on future minimum lease rentals.

(vi) Fair value

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Investment property	13,682.95	89,222.84

Estimation of fair value

The Group has determined that fair value of the investment property under construction to be reliably measurable when construction gets completed, hence book value has been assumed to be fair value.

8 Other intangible assets		(` in lakhs)
	Computer softwares	Total
Gross block		
At 1 April 2017	652.77	652.77
Additions	36.29	36.29
Adjustment for disposals#	122.33	122.33
Balance as at 31 March 2018	566.73	566.73
Additions	86.43	86.43
Adjustment for disposals#	5.80	5.80
Balance as at 31 March 2019	647.36	647.36
Accumulated amortization		
At 1 April 2017	597.50	597.50
Charge for the year	30.79	30.79
Adjustment for disposals#	110.07	110.07
Balance as at 31 March 2018	518.22	518.22
Charge for the year	29.24	29.24
Adjustment for disposals#	5.77	5.77
Balance as at 31 March 2019	541.69	541.69
Net block as at 31 March 2018	48.51	48.51
Net block as at 31 March 2019	105.67	105.67

This also includes property, plant and equipment of subsidiaries where controlling stake is disposed off during the year.

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Note - 9	Number	31 March 2019	Number	31 March 2018
		(` in lakhs)		(` in lakhs)
Investment accounted for using the equity method^#				
In Joint ventures (unquoted)				
In equity shares				
Indiabulls Real Estate Company Private Limited (from 29 March 2018)	1,916,979	95,000.00	1,916,979	95,000.00
Indiabulls Properties Private Limited (from 29 March 2018)	1,625,681	130,000.00	1,625,681	130,000.00
Ashkit Properties Limited (from 28 December 2018) @	67,603	10,100.00	-	-
Yashita Buildcon Limited (from 28 December 2018) @	50,000	6,120.34	-	-
		241,220.34		225,000.00
Less: Share of loss from joint ventures accounted using the equity method		(894.91)		(484.30)
		240,325.43		224,515.70
In compulsorily convertible debentures*				
Yashita Buildcon Limited (face value of ` 10 each and Nil coupon rate) (from 28 December 2018) @	100	6.41	-	-
		6.41		-
Total		240,331.84		224,515.70
Aggregate book value of unquoted investments		240,331.84		224,515.70
Aggregate book value and market value of quoted investments		-		-

^ All equity shares have face value ` 10 each unless otherwise stated.

These investments are accounted using equity method and investment value represents fair value of underlying assets and liabilities and related goodwill.

@ During the year, the Holding Company has divested 50% stake at an aggregate enterprises value of approximately ` 46,400 lakhs to the entities controlled by the Blackstone Group L.P. with this, these wholly owned subsidiaries have become Joint Ventures.

* The compulsory convertible debentures (CCDs) are convertible in equity at fixed ratio.

Note - 10

A Investments - non-current

(i) Investment in equity shares - others

Quoted

RattanIndia Power Limited (face value of ` 10 each)#	241,351,470	6,516.49	241,351,470	12,429.60

Unquoted*

Charmy Real Estate Private Limited (face value of ` 10 each)	-	-	12,500	551.23
Avinash Bhosale Infrastructure Private Limited (face value of ` 100 each)	2,090,000	1,988.76	2,090,000	1,879.46
Good Morning India Media Private Limited (face value of ` 10 each)	2,500,000	217.32	2,500,000	194.74
Jagati Publications Limited (face value of ` 10 each)	1,972,221	976.19	1,972,221	966.73
Oriental Buildtech Private Limited (face value of ` 10 each)**	569	-	569	-

(ii) Investment in preference shares - others

Unquoted*

Westend Propmart Private Limited (6% non-cumulative optionally convertible preference shares ` 10 each)	3,350,000	345.96	3,350,000	335.00

(iii) Investment in bonds - others^^

Unquoted

HDFC Bank Limited (Coupon rate 8.44%)	8	878.41	8	878.41
Housing Development Finance Corporation Limited (Coupon rate 8.45%)	20	2,147.71	20	2,147.71
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	12	1,293.87	12	1,293.87
Housing Development Finance Corporation Limited (Coupon rate 8.35%)	10	1,097.97	10	1,097.74
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	7	751.77	7	751.77
LIC Housing Finance Limited (Coupon rate 8.47% and face value of ` 1,000,000 each)	10	109.94	10	109.94
		16,324.39		22,636.20

Aggregate book value of unquoted investments

9,807.90 10,206.60

Aggregate book value and market value of quoted investments

6,516.49 12,429.60

This investment (being strategic in nature) is measured at fair value through other comprehensive income. The above values represents the fair values as at the end of the respective reporting year. No dividends have been received from such investments during the year.

* All the investments are designated as fair value through profit and loss, unless otherwise stated.

** Fair value of investment in Oriental Buildtech Private Limited is ` Nil.

^^ Face value of ` 10,000,000 each unless otherwise stated

B Investments - current

(i) Investment in mutual funds (quoted)

Indiabulls Mutual Fund - Indiabulls Liquid Fund - Direct Plan Growth	141.10	90,433.54
[7,844,221 (31 March 2018 5,325,108.215) units]		
Indiabulls Mutual Fund - Indiabulls Liquid Fund - Direct Plan Daily dividend	11.30	-
[832,961 (31 March 2018 : Nil) units]		
Reliance Liquid Fund - Daily Dividend Option	5.68	-
[124,521 (31 March 2018 : Nil) units]		
Indiabulls Savings Fund - Direct Plan - Growth	1.04	-
[100 (31 March 2018 : Nil) units]		
Reliance Liquid Fund - Treasury Plan - Growth Option	-	40,065.93
[Nil (31 March 2018: 944,839.513) units]		
DHFL Pramerica Insta Cash Plus fund Direct Plan - Annual Bonus	-	8,216.00
[Nil (31 March 2018: 6,020,462.161) units]		
	159.12	138,715.47

Aggregate book value and market value of quoted investments

159.12 138,715.47

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 11		
A Loans - non current[#]		
(Unsecured, considered good)		
Security deposits	2,387.36	2,271.16
Amounts due on redeemable financial instruments	-	12,689.65
	2,387.36	14,960.81
B Loans - current[#]		
(Unsecured, considered good)		
Security deposits	1,205.55	2,373.02
Loan component of redeemable financial instruments	7,524.73	-
Inter-corporate loans	45,167.32	13,081.00
	53,897.60	15,454.02

[#]The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.

Note - 12		
A Other financial assets - non-current		
(Unsecured, considered good)		
Bank deposits with maturity of more than 12 months	20,680.56	403.22
Derivative assets	3,242.41	-
	23,922.97	403.22
B Other financial assets - current		
(Unsecured, considered good)		
Earnest money deposit	1.00	6.00
Amount recoverable*	-	8,000.42
Other advances	932.22	96.99
	933.22	8,103.41

*This pertained to partial amount held back by buyers on account of sale of controlling stake in subsidiary companies, which has been received during the year.

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs) (Restated)*
Note - 13		
Deferred tax assets (net)		
Deferred tax asset arising on account of :		
Property plant and equipment, investment property and intangible assets - depreciation and amortization	761.62	125.54
Employee benefits	1,081.47	804.83
Interest expense - adjustment arising on account of Income Computation and Disclosure Standards	582.92	577.31
Reversal of revenue and related costs as per Ind AS 115 (refer note 41)	40,688.34	78,478.43
Unabsorbed long-term capital losses	2,684.94	-
Unrealised margin on inventories	14,409.57	5,218.03
Loans and other financial assets	-	5,661.23
Impairment for investments, financial and non-financial assets	1,227.04	87.04
Others	-	102.08
Deferred tax liabilities arising on account of :		
Derivative assets - mark to market gain on derivative contract	(1,133.03)	-
Fair valuation gain on investments	(1,918.36)	-
Minimum alternative tax credit entitlement	5,967.59	8,577.67
	64,352.10	99,632.16

- (i) The Group has unabsorbed business losses and unabsorbed depreciation of ` 243,510.02 lakhs (31 March 2018: ` 117,507.96 lakhs) on which no deferred tax asset is created as there is no convincing evidence which demonstrates probability of realization of deferred tax asset in the near future.
- (ii) The Group did not recognise deferred tax liability ` 62,203.85 lakhs (31 March 2018: ` 62,108.85 lakhs) with respect to unremitted retained earnings of Group subsidiaries wherever it controls the timing of the distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future.

(iii) Caption wise movement in deferred tax assets is as follows					(` in lakhs)
Particulars	1 April 2017 (Restated)*	Recognised in other comprehensive income	Recognised in statement of profit and loss	Utilised/adjusted during the year^^	31 March 2018 (Restated)*
Assets					
Property plant and equipment, investment property and intangible assets - depreciation and amortization	-	-	125.54	-	125.54
Employee benefits	956.24	-	(151.41)	-	804.83
Interest expense - adjustment arising on account of Income Computation and Disclosure Standards	824.46	6.57	(253.72)	-	577.31
Impairment for investments, financial and non-financial assets	-	-	87.04	-	87.04
Unabsorbed business losses and unabsorbed depreciation	13,192.99	-	(13,192.99)	-	-
Unrealised margin on inventories	6,469.22	-	(1,251.19)	-	5,218.03
Loans and other financial assets	5,992.73	-	(331.50)	-	5,661.23
Reversal of revenue and related costs as per Ind AS 115	87,593.21	-	(6,554.04)	(2,560.74)	78,478.43
Others	12.15	-	114.69	(24.76)	102.08
Liabilities					
Amortization of upfront fees	(193.42)	-	193.42	-	-
Property plant and equipment, investment property and intangible assets	(82.80)	-	82.80	-	-
Sub-total	114,764.78	6.57	(21,131.36)	(2,585.50)	91,054.49
Minimum alternative tax credit entitlement	10,632.13	-	1,038.98	(3,093.44)	8,577.67
Total	125,396.91	6.57	(20,092.38)	(5,678.94)	99,632.16

(₹ in lakhs)					
Particulars	31 March 2018 (Restated)*	Recognised in other comprehensive income	Recognised in statement of profit and loss	Utilised/adjusted during the year^^	31 March 2019*
Assets					
Property plant and equipment, investment property and intangible assets - depreciation and amortization	125.54	-	636.08	-	761.62
Employee benefits	804.83	33.14	243.50	-	1,081.47
Interest expense - adjustment arising on account of Income Computation and Disclosure Standards	577.31	-	5.61	-	582.92
Impairment for investments, financial and non-financial assets	87.04	-	1,140.00	-	1,227.04
Unabsorbed long-term capital losses	-	-	2,684.94	-	2,684.94
Unrealised margin on inventories	5,218.03	-	9,191.54	-	14,409.57
Loans and other financial assets	5,661.23	-	(5,661.23)	-	-
Reversal of revenue and related costs as per Ind AS 115	78,478.43	-	(38,623.85)	833.76	40,688.34
Others	102.08	-	(102.08)	-	-
Liabilities					
Derivative assets - mark to market gain on derivative contract	-	-	(1,133.03)	-	(1,133.03)
Fair valuation gain on investments	-	-	(1,918.36)	-	(1,918.36)
Sub-total	91,054.49	33.14	(33,536.88)	833.76	58,384.51
Minimum alternative tax credit entitlement	8,577.67	-	3.05	(2,613.13)	5,967.59
Total	99,632.16	33.14	(33,533.83)	(1,779.37)	64,352.10

^^This includes movement on account of subsidiary companies which were sold during the year.

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 14		
Non-current tax assets (net)		
Advance income tax, including tax deducted at source (net of provisions)	18,333.67	19,300.15
	18,333.67	19,300.15
Note - 15		
A Other non-current assets		
(Unsecured, considered good)		
Advances to suppliers	29.06	190.96
Prepaid expenses	218.24	253.94
Security deposits#	6,500.00	6,500.00
Balances with statutory and government authorities	4,430.42	3,787.08
Prepayment for land*	6,189.60	6,263.31
Rent equalisation reserve	-	451.57
	17,367.32	17,446.86
#to be adjusted with purchase of land.		
*this land is accounted under operating lease as per Ind AS 17, for details refer note 45.		
B Other current assets		
(Unsecured, considered good unless otherwise stated)		
Mobilization advances	3,173.48	2,208.07
Advance to suppliers/service providers (doubtful balance of ₹ 251.50 lakhs (31 March 2018: ₹ 251.50))	9,433.21	9,050.99
Prepaid expenses	3,767.32	1,811.69
Balances with statutory and government authorities	9,638.00	12,364.66
Stamp paper in hand	2.40	-
Land advances (doubtful advance of ₹ Nil (31 March 2018: ₹ 4,086.81 lakhs)	11,212.71	8,597.81
Rent equalisation reserve	-	731.99
Other advances*	4,936.58	4,264.98
	42,163.70	39,030.19
Less: Impairment for non-financial assets	(251.50)	(4,338.31)
	41,912.20	34,691.88
*this includes deposits lying with solicitor against property sold amounting to ₹ 4,192.09 lakhs (31 March 2018 : ₹ 4,138.52 lakhs).		
	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 16		
Inventories		
A Real estate properties under development (at cost)		
Cost of properties under development	1,358,212.15	1,350,829.29
Less: Transferred to developed properties	(507,232.86)	(79,813.93)
	850,979.29	1,271,015.36
Less: Impairment of inventories	(72,380.00)	-
Less: Provision for expected loss	(483.29)	(281.45)
	778,116.00	1,270,733.90
B Real estate properties - developed (at cost)		
Cost of developed properties	507,232.86	79,813.93
Less: Cost of revenue recognized till date	(306,733.00)	(27,058.41)
	200,499.86	52,755.52
Less: Provision for expected loss	(2,947.18)	(1,352.30)
	197,552.68	51,403.22
C Construction materials in stock (at cost)	9,217.75	5,115.18
Sub-total (A+B+C)	984,886.43	1,327,252.31
Less: Change in inventory due to Ind AS 115 pertaining to entities where the entity no longer held controlling stake	-	(191,134.27)
	984,886.43	1,136,118.04
*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.		

Notes :

- During the year ended 31 March 2019, the Group has inventorised borrowing cost of ₹ 6,914.20 lakhs (31 March 2018: ₹ 19,655.92 lakhs) to cost of real estate project under development. The Group entities has capitalised the interest expense related to specific borrowings obtained for real estate properties under development.
- The weighted average rate of interest capitalisation is in the range of 3.80% to 11.50% basis the underlying borrowings of respective entities.
- Inventories amounting to ₹ 473,818.99 lakhs (31 March 2018: ₹ 638,326.40) lakhs have been pledged/mortgaged as security for liabilities.

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs) (Restated)*
Note - 17		
Trade receivables		
Trade receivables considered good - unsecured	26,967.50	1,433.06
Trade receivables - credit impaired	33.04	33.04
	27,000.54	1,466.10
	(33.04)	(33.04)
	26,967.50	1,433.06

Less: Impairment for trade receivables (expected credit loss)

Note : Trade receivables amounting to ₹ 22,903.95 (31 March 2018: ` 133.24 lakhs) have been pledged/mortgaged as security for liabilities.

*Refer note 41 (f) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

Note - 18		
A Cash and cash equivalents		
Cash on hand	11.46	28.19
Balances with banks - in current accounts	10,981.26	153,569.96
Bank deposits with original maturity upto three months	49,298.69	13,758.96
	60,291.41	167,357.11

Notes :

- (i) Bank deposits (including bank deposits included under Note 12A and Note 19) of ₹ 11,901.57 lakhs (31 March 2018: ` 8,438.60 lakhs) have been pledged against bank guarantees, letter of credit and overdraft facility.
- (ii) Bank deposits (including bank deposits included under Note 12A and Note 19) of ₹ 19,909.99 lakh (31 March 2018: ` 2,415.50 lakhs) have been lien marked as a security for servicing of term loan, debentures interest and hedge margin.
- (iii) Bank deposits (including bank deposits included under Note 12A and Note 19) of ₹ 23.69 lakhs (31 March 2018: ` 21.00 lakhs) have been lien marked as a security for valued added tax registration and for fire no objection certificate.

Note - 19		
Other bank balances		
Balances with banks - in unclaimed dividend accounts*	38.75	40.53
Bank deposits with maturity of more than three months and upto twelve months	13,449.93	11,996.90
	13,488.68	12,037.43

* Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Holding Company does not have any right on the said money.

Note - 20		
Assets held for sale		
Investment held for sale (refer note 60)	34,706.36	-
	34,706.36	-

Note - 21				
A Equity share capital		31 March 2019		31 March 2018
		(` in lakhs)		(` in lakhs)
i Authorised	Number	Amount	Number	Amount
Equity share capital of face value of ` 2 each	750,000,000	15,000.00	750,000,000	15,000.00
	750,000,000	15,000.00	750,000,000	15,000.00
ii Issued, subscribed and fully paid up				
Equity share capital of face value of ` 2 each fully paid up	450,680,289	9,013.61	474,674,139	9,493.48
		9,013.61		9,493.48
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Balance at the beginning of the year	474,674,139	9,493.48	478,414,339	9,568.29
Add: Issued during the year	2,006,150	40.13	2,055,800	41.11
Less: Buyback during the year	26,000,000	520.00	5,796,000	115.92
Balance at the end of the year	450,680,289	9,013.61	474,674,139	9,493.48

- iv Rights, preferences and restrictions attached to equity and preference shares**
The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Holding Company. In the event of liquidation of the Holding Company, all preferential amounts, if any, shall be discharged by the Holding Company. The remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Holding Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

v Details of shareholder holding more than 5% share capital	31 March 2019
Name of the equity shareholder	Number of shares
Jyestha Infrastructure Private Limited	49,755,973
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	36,700,000
	31 March 2018
Name of the equity shareholder	Number of shares
Jyestha Infrastructure Private Limited	49,755,973
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	36,700,000

- vi Aggregate number of shares issued for consideration other than cash**
No shares have been issued for other than cash during the period of five years immediately preceding 31 March 2019.

- vii Aggregate number of shares bought back**
- a. During the year ended 31 March 2019, 26,000,000 equity shares were bought back at an average price of ` 170.85 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.
- b. During the year ended 31 March 2018, 5,796,000 equity shares were bought back at an average price of ` 89.76 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.
- c. During the year ended 31 March 2017, 28,250,000 equity shares were bought back at an average price of ` 78.01 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.

- viii Shares reserved for issue under options**
For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company, refer note 47.

B Preference share capital

	31 March 2019		31 March 2018	
	Number	Amount (` in lakhs)	Number	Amount (` in lakhs)
i Authorised				
Preference share capital of face value of ` 10 each#	364,000,000	36,400.00	364,000,000	36,400.00
		36,400.00		36,400.00

Since the Holding Company has not issued preference shares, hence, other disclosures are not presented.

C Instruments entirely equity in nature

	31 March 2019		31 March 2018	
	Number	Amount (` in lakhs)	Number	Amount (` in lakhs)
i Authorised				
0.00001% Optionally convertible redeemable preference shares of face value of ` 10 each	1,050,000,000	105,000.00	1,050,000,000	105,000.00
		105,000.00		105,000.00
ii Issued, subscribed and fully paid up				
0.00001% Optionally convertible redeemable preference shares of face value of ` 10 each	1,048,280,000	104,828.00	1,048,280,000	104,828.00
		104,828.00		104,828.00

iii Reconciliation of number of optionally convertible redeemable preference shares outstanding at the beginning and at the end of the year

Balance at the beginning of the year	1,048,280,000	104,828.00	-	-
Add: Issued during the year	-	-	1,048,280,000	104,828.00
Balance at the end of the year	1,048,280,000	104,828.00	1,048,280,000	104,828.00

iv Rights, preferences and restrictions attached to optionally convertible redeemable preference shares ("OCRPS")

0.00001% Optionally convertible redeemable preference shares of face value of ` 10 each fully paid up, the payment of dividend shall be on non cumulative basis. Subject to the provisions of the Company Act 2013, the OCRPS shall be optionally convertible, at sole discretion of the issuer company, at any time in one or more tranches within a period not exceeding 20 years from the date of allotment at the price which shall be the face value of the equity shares of the issuer company.

Subject to the provisions of the Company Act 2013, the OCRPS shall be redeemable, at cash, on the expiry of 20 years from the date of allotment, at the lower of either (i) an appropriate discount to the fair value of the equity shares (on the date of such redemption) of the issuer company, assuming conversion, OR (ii) issue price of OCRPS (including securities premium, if any).

v Details of shareholders holding more than 5% share capital	31 March 2019		31 March 2018	
	Number of shares		Number of shares	
Indiabulls Properties Private Limited	425,000,000		425,000,000	
Indiabulls Real Estate Company Private Limited	623,280,000		623,280,000	

vi Aggregate number of preference shares issued for consideration other than cash

No preference shares have been issued for consideration other than cash during the period of five years immediately preceding 31 March 2019.

vii Aggregate number of preference shares bought back

No preference shares have been bought back during the period of five years immediately preceding 31 March 2019.

viii Shares reserved for issue under options

No preference shares have been reserved for issue under options.

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	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs) (Restated)*
Note - 22		
Other equity		
Reserves and surplus		
General reserve	53,312.65	53,312.65
Capital reserve	27,720.50	27,720.50
Debenture redemption reserve	32,375.04	31,437.54
Capital redemption reserve	2,200.92	1,680.92
Deferred employee compensation reserve	2,113.86	2,570.20
Securities premium	534,903.32	577,311.54
Capital reserve on consolidation	104,232.79	104,232.79
Retained earnings	(446,482.42)	(490,993.09)
Other comprehensive income		
Fair valuation of equity instruments	(28,262.11)	(22,348.99)
Net investment hedge reserve	2,577.99	-
Foreign currency translation reserve	1,305.86	87.95
	285,998.40	285,012.01

Nature and purpose of other reserves

General reserve

The Holding Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Capital reserve

The Holding Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

Debenture redemption reserve

The Holding Company and its subsidiaries (wherever debenture balances are outstanding) are required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Capital redemption reserve

The same has been created in accordance with provisions of the Companies Act, 2013 for the buy back of equity shares from the market.

Deferred employee compensation reserve

The reserve is used to recognized the expense related to stock options issued to employees under Holding Company's employee stock option plans.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Capital reserve on consolidation

This is on acquisition/dilution of investment in subsidiaries by the Group at different point in time. It has resulted in a capital reserve on consolidation (after netting off goodwill arising on such acquisitions).

*Refer note 41 (f) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 23		
A Borrowings - non-current		
Secured loans		
Debentures		
Non-convertible debentures	173,185.96	295,048.47
Less: current maturities of non-current borrowings (refer note 25B)	(72,358.36)	(88,441.11)
	100,827.60	206,607.36
Term loans		
From banks	278,741.25	164,523.80
Less: current maturities of non-current borrowings (refer note 25B)	(39,037.89)	(71,141.79)
	239,703.36	93,382.01
Guaranteed senior notes		
From others	-	107,874.25
Less: current maturities of non-current borrowings (refer note 25B)	-	(107,874.25)
	-	-
Vehicle loans		
From banks	8.37	22.14
Less: current maturities of non-current borrowings (refer note 25B)	(8.37)	(13.77)
	-	8.37
	340,530.96	299,997.74

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(i) Repayment terms (including current maturities) and security details for term loan from non-convertible debentures:

Particulars	Security	Maturity date	31 March 2019 ` in lakhs	31 March 2018 ` in lakhs
1 190 Redeemable non-convertible debentures issued on 9 September 2016 for ` 1,900 lakhs @ 9.85% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge.	8 July 2022	1,881.46	1,876.92
2 250 Redeemable non-convertible debentures issued on 7 September 2016 for ` 2,500 lakhs @ 9.80% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge.	7 July 2022	2,473.34	2,466.79
3 300 Redeemable non-convertible debentures issued on 16 August 2016 for ` 3,000 lakhs @ 10.00% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	16 June 2022	2,953.57	2,942.03
4 200 Redeemable non-convertible debentures issued on 18 July 2016 for ` 2,000 lakhs @ 10.00% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	18 May 2022	1,966.03	1,957.23
5 250 Redeemable non-convertible debentures issued on 12 July 2016 for ` 2,500 lakhs @ 10.00% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	12 May 2022	2,457.53	2,446.54
6 150 Redeemable non-convertible debentures issued on 8 July 2016 for ` 1,500 lakhs @ 10.00% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,474.52	1,467.93
7 150 Redeemable non-convertible debentures issued on 8 July 2016 for ` 1,500 lakhs @ 10.00% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,572.82	1,565.79
8 4,800 Redeemable non-convertible debentures issued on 27 June 2018 for ` 48,000 lakhs @ 9.50% of face value ` 1,000,000	Mortgage on immovable properties situated at Gurugram held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	25 June 2021 and 26 June 2020	47,465.26	-
9 750 Redeemable non-convertible debentures issued on 29 June, 2016 for ` 7,500 lakhs @ 10.00% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli-Khalapur held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	29 April 2022	7,367.55	7,333.05
10 100 Redeemable non-convertible debentures issued on 18 March 2016 for ` 1,000 lakhs @ 10.75% of face value ` 1,000,000	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	986.60	980.84
11 200 Redeemable non-convertible debentures issued on 18 March 2016 for ` 2,000 lakhs @ 10.75% of face value ` 1,000,000	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	1,959.64	1,942.41
12 150 Redeemable non-convertible debentures issued on 21 August 2015 for ` 1,500 lakhs @ 11.50% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	21 August 2020	1,477.53	1,463.67
13 200 Redeemable non-convertible debentures issued on 21 August 2015 for ` 2,000 lakhs @ 11.50% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company's and its certain subsidiary companies by way of pari-passu charge	21 August 2020	1,983.82	1,961.68
14 5,000 Redeemable non-convertible debentures issued on 29 June 2017 for ` 50,000 lakhs @ 9.00% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Gurgaon and Savroli held and owned by the Holding Company's and its certain subsidiary companies by way of pari-passu charge	29 June 2020 and 28 June 2019	49,666.29	49,211.80
15 250 Redeemable non-convertible debentures issued on 27 September 2018 for ` 2,500 lakhs @ 10.25% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Mule-Alibaug held and owned by the Holding Company's and its certain subsidiary companies by way of pari-passu charge	28 September 2019	2,500.00	-
16 9,000 Redeemable non-convertible debentures issued on 6 June 2014 for ` 90,000 lakhs @ 11.10% of face value ` 1,000,000 **	Secured by mortgage on immovable properties situated at Gurgaon, Panvel, Chennai, Savroli and Chawne held and owned by the Holding Company and its certain subsidiary companies	6 June 2019 and 6 June 2018	45,000.00	90,000.00

17	50 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 500 lakhs @ 11.80% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	21 August 2018	-	498.31

Particulars	Security	Maturity date	31 March 2019 ` in lakhs	31 March 2018 ` in lakhs
18 750 Redeemable non-convertible debentures issued on 8 June 2017 for ` 7,500 lakhs @ 9.45% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	06 July 2018	-	7,500.00
19 1,000 Redeemable non-convertible debentures issued on 11 December 2015 for ` 10,000 lakhs @ 9.5% of face value ` 1,000,000	These non-convertible debentures are secured by mortgage of land in possession of eight subsidiaries	30 June 2018	-	9,962.86
20 200 Redeemable non-convertible debentures issued on 28 March 2016 for ` 2,000 lakhs @ 10.50% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	27 April 2018	-	1,998.52
21 150 Redeemable non-convertible debentures issued on 28 March 2016 for ` 1,500 lakhs @ 10.50% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	27 April 2018	-	1,498.24
22 1,000 Redeemable non-convertible debentures issued on 22 March 2017 for ` 10,000 lakhs @ 9.02% of face value ` 1,000,000	Secured by mortgage on immovable properties in Panvel held and owned by the Holding Company and its certain subsidiary companies respectively by way of pari-passu charge	20 April 2018	-	9,994.90
23 200 Redeemable non-convertible debentures issued on 18 March 2016 for ` 2,000 lakhs @ 10.50% of face value ` 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Holding Company and its certain subsidiary companies by way of pari-passu charge	18 April 2018	-	1,997.66
24 Redeemable non-convertible debentures issued on 26 September 2017 for ` 100,000 lakhs @ 9.05% of face value ` 10 lakhs each	Secured by a first ranking and exclusive charge over the following: (i) English mortgage over the mortgaged property together with all building and structures, fixtures, etc. thereon attached to the earth or permanently fastened to anything attached on the earth or attached to anything permanently fastened to earth as being created hereinafter; (ii) charge on the receivables and the escrow account of the subsidiary as being created under the deed of hypothecation; (iii) alternate security/any additional security, as may be deemed necessary by the debenture trustee, to secure the secured obligations or as may be required to maintain minimum security cover.	Repayable in quarterly installments starting on 26 December 2017	-	93,981.31

*** These non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited and remaining non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.*

(ii) Repayment terms (including current maturities) and security details for term loan from banks:

- a During the year ended 31 March 2019, the Holding Company has availed term loan of ` 100,000.00 lakhs from Yes Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at various locations and owned by certain subsidiary companies. The loan is repayable in three installments at 30%, 35% and 35% at the end of 21st month, 24th month and 27th month from the date of first disbursement. The rate of interest as on 31 March 2019 is 11.00% p.a. (Yes Bank's MCLR plus spread). The outstanding balance as at 31 March 2019 is ` 98,349.92 lakhs (31 March 2018: ` Nil).
- b During the year ended 31 March 2019, one of the subsidiary company entered into borrowing arrangement to finance the construction and development of the under construction real estate properties by signing a construction term loan arrangement with Indusind Bank Limited ("Indusind") of ` 20,000.00 lakh as per below details. The rate of interest as on 31 March 2019 is 9.80% p.a.

Particulars#	(` in lakhs)			
	Year	Sanction	Drawdown	Outstanding
Indusind Bank	31 March 2019	20,000.00	20,000.00	20,000.00
	31 March 2018	-	-	-

The Loan are secured by Pari-passu charge (along with Bank of India) by way of registered mortgage of all buildings and structures, title and rights of the borrower for residential project "Indiabulls Greens and Park" having saleable area of 8,731,226 sq.ft. First pari passu charge (along with Bank of India) by way of hypothecation on the project sold and unsold receivables for the said project "Indiabulls Green and Park" having saleable area of 8,731,226 sq.ft. and the borrower will continue, establish and maintain an escrow account with Bank of India till repayment of their facility. Term Loan of ` 20,000.00 lakhs shall be repayable in 8 structured quarterly instalments starting from the end of 33 months from the date of disbursement of loan.

- c During the year ended 31 March 2018, the subsidiary company entered into borrowing arrangement to finance the construction and development of the real estate project by signing a construction term loan arrangement with Bank of India Limited ("BOI") of ` 50,000.00 lakh as per below details. The rate of interest as on 31 March 2019 is 9.50% p.a. (31 March 2018 is 9.10% p.a.)

Particulars#	(` in lakhs)			
	Year	Sanction	Drawdown	Outstanding
Bank of India	31 March 2019	50,000.00	30,000.00	20,142.67
	31 March 2018	50,000.00	30,000.00	26,000.00

The Loan are secured by Pari-passu first charge on all the present and future movable fixed assets and immovable property of the project in proportion to the unsold area of 12.85 Lakh Sq ft (as on 14 September 2017) together with the saleable FSI and present/future transferable development right to be constructed on all that pieces and parcels of land. Pari-passu first charge by way of hypothecation of all current assets of the project. Pari-passu first charge / assignment of all revenues receivables and escrow account of the project to be maintained with the Bank. Assignment / Agreement to assign by way of charge in favour of security trustee, all the rights, titles, benefit and interest of the project from all contract, Insurance, licenses in, to, and under all assets of the project and project documents (including but not limited to the right to use agreement, etc.). Term Loan of ` 30,000.00 lakhs shall be repayable in 12 structured instalments from the last day of the quarter from the disbursement of loan.

- d During the year ended 31 March 2018, one of the subsidiary company had availed GBP 55 million secured term loan from Deutsche Bank Luxembourg S.A. to refinance existing indebtedness in respect of 22 and 23 Hanover Square, London. The facility is due on 19 December 2018. The borrowing entity has an option to prepay the whole or any part of the facility within 5 business days' prior notice (but, if in part, being an amount that reduces the amount of the loan by a minimum amount of GBP 1,000,000). The facility was secured by way of pledge over 22-23 Hanover Square. The term loan was prepaid during the year ended 31 March 2019.
- e During the year ended 31 March 2019, one of the subsidiary company had availed GBP 200 million secured term loan from Bank of Baroda/ Canara bank to refinance existing indebtedness in respect of 22 and 23 Hanover Square, London. The repayment is due on 31 December 2021. The rate of interest as on 31 March 2019 is LIBOR plus 3% margin (31 March 2018: Nil). The outstanding balance as at 31 March 2019 is ` 50,909.92 lakhs (31 March 2018 ` Nil).
- f During the year ended 31 March 2019, one of the subsidiary company had availed GBP 625 million secured term loan from starwood European finance partners limited to refinance existing indebtedness in respect of 22 and 23 Hanover Square, London. The repayment is due on 31 December 2021. The rate of interest as on 31 March 2019 is 8.50% Margin (31 March 2018: Nil). The outstanding balance as at 31 March 2019 is ` 54,737.74 lakhs (31 March 2018 ` Nil).
- g During the year ended 31 March 2017, one of the subsidiary company have availed ` 10,000.00 lakhs term loan from Ratnakar Bank limited secured against immovable properties both present and future, exclusive and/or pari passu mortgage/assignment by way of security of all rights, title, interest, claims, benefits and demands under the project documents. Loan is repayable in 6 fixed half yearly installments from the date of disbursement. The rate of interest as on 31 March 2019 is 9.05% p.a.(31 March 2018: 9.05% p.a.). The outstanding balance as at 31 March 2019 is ` 3,326.31 lakhs (31 March 2018 ` 6,642.87 lakhs).
- h During the year ended 31 March 2018, the Holding Company has availed term loan of ` 10,000.00 lakhs from Ratnakar Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at Savroli and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two years and three years from the date of disbursement. The rate of interest as on 31 March 2019 is 11.00% p.a.(31 March 2018: 9.00% p.a.). The outstanding balance as at 31 March 2019 is ` 7,961.72 lakhs (31 March 2018: ` 9,928.52 lakhs).
- i During the year ended 31 March 2018, the Holding Company has availed term loan of ` 5,000.00 lakhs from Ratnakar Bank Limited and interest payable monthly, secured by exclusive charge by way of equitable mortgage on immovable properties located at Gurugram and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two years and three years from the date of disbursement. The rate of interest as on 31 March 2019 is 11.00% p.a.(31 March 2018: 9.00% p.a.). The outstanding balance as at 31 March 2019 is ` 3,980.95 lakhs (31 March 2018: ` 4,964.17 lakhs).
- j During the year ended 31 March 2015, the Holding Company has availed term loan of ` 28,000.00 lakhs from Axis Bank Limited and interest payable monthly, primarily secured by mortgage on immovable properties situated at Savroli held and owned by the certain subsidiary companies. The loan is further secured by collateral security on immovable properties of certain subsidiary companies. Additionally, the aforesaid term loan is also secured by way of pari-passu charge on all the project related receivables, if any, of its certain subsidiary companies. The loan is repayable in 16 equal quarterly installments after moratorium period of two years from date of first disbursement. The rate of interest as on 31 March 2019 is 10.25% p.a. (31 March 2018: 9.65% p.a.). The outstanding balance as at 31 March 2019 is ` 10,403.44 lakhs (31 March 2018: ` 17,256.61 lakhs).
- k During the year ended 31 March 2019, one of the subsidiary has taken a new term loan of ` 50,000.00 lakhs from Oriental Bank of Commerce against (a) exclusive mortgage charge over the project 'One Indiabulls Park' (Immovable properties) and hypothecation charge on all the other movable property, plant and equipment (present and future) of the project, (b) exclusive hypothecation charge upon receivable from tenants/lessees in respect of commercial space at One Indiabulls Park, Chennai and (c) exclusive charge on all escrow and common account maintenance (CAM) charges accounts opened in relation to the facility. The loan is repayable in 144 structured monthly installments from the date of disbursement. The rate of interest as on 31 March 2018 was 8.44% p.a. The balance outstanding is ` Nil (31 March 2018: ` 48,996.36 lakhs).
- l During the year ended 31 March 2018, one of the subsidiary company has availed ₹ 10,000.00 lakhs term loan from Ratnakar Bank limited secured against immovable properties both present and future, exclusive and/or pari passu mortgage/assignment by way of security of all rights, title, interest, claims, benefits and demands under the project (One Indiabulls Commercial, sector 104, Gurugram) documents. Loan repayable in 9 fixed quarterly installments from the date of disbursement. The rate of interest as on 31 March 2019 was 11.00% p.a. The outstanding balance as at 31 March 2019 is ₹ 8,928.57 lakhs (31 March 2018 ₹ Nil).

(iii) Repayment terms (including current maturities) and security details for Guaranteed senior notes:

During the year ended 31 March 2015, one of the overseas subsidiary company has issued 10.25% Guaranteed Senior Notes due 2019 of an aggregate principal amount of US\$175 million, which are listed and traded on the Singapore Exchange Securities Trading Limited (the "Notes"). During the previous year, the subsidiary company has decided to recall these notes. The outstanding amount of these note as on 31 March 2018 is ` 107,874.25 lakhs. These senior notes are listed on the Singapore Exchange Securities Trading Limited (SGX-ST). During the current year ended 31 March 2019, the subsidiary company has elected to, and redeemed, on 30 April 2018 (the 'Redemption Date'), all of the outstanding USD 175 million, 10.25% Senior Notes due 2019 ('Securities'), which were issued by Century Limited under an indenture dated 12 November 2014. During the year ended 31 March 2019, upon redemption of the Securities, the Securities have been cancelled and delisted from the SGX-ST.

(iv) Repayment terms (including current maturities) and security details for vehicle loans:

During the year ended 31 March 2015, the Company has availed vehicle loan of ` 60.00 lakhs from Axis Bank Limited and interest payable monthly at 10.35%, secured by way of hypothecation on vehicle purchased. These loan is repayable in 60 equated monthly installments starting from 15 November 2014. The outstanding balance as at 31 March 2019 is ` 8.37 lakhs (31 March 2018: ` 22.14 lakhs).

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
B Borrowings - current		
Unsecured loans		
Commercial paper*		
Subscribed by banks	5,000.00	5,000.00
Subscribed by others	96,500.00	87,500.00
	101,500.00	92,500.00

*Maximum balance outstanding during the year is ` 120,000.00 lakhs (31 March 2018: ` 99,500.00 lakhs).

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	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 24		
A Trade payables - non current		
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	11,764.29	20,439.22
	11,764.29	20,439.22
B Trade payables - current		
(i) Total outstanding dues of micro enterprises and small enterprises*	4,632.57	-
	4,632.57	-

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2019 and 31 March 2018 :

Particulars	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
i) the principal amount remaining unpaid to any supplier as at the end of each accounting year;	4,632.57	-
ii) Interest due thereon	-	-
iii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to others	66,476.98	32,645.07
Retention money	18,651.32	12,576.02
	85,128.30	45,221.09

Note - 25		
A Other financial liabilities - non current		
Security deposits from customers	-	3,908.42
	-	3,908.42
B Other financial liabilities - current		
Current maturities of long-term borrowings		
Non-convertible debentures	72,358.36	88,441.11
Term loans	39,037.89	71,141.79
Guaranteed senior notes	-	107,874.25
Vehicle loans	8.37	13.77
Interest accrued on borrowings	2,380.82	14,599.28
Debenture redemption premium payable	-	4,227.75
Deposits lying with solicitor against property sold	4,192.08	-
Unpaid dividend on equity shares*	38.94	40.83
Security deposits from customers	82.38	789.60
Earnest money deposit	37,500.00	-
Expenses payable	10,220.17	17,600.91
	165,819.01	304,729.29

* Not due for credit to 'Investor Education and Protection fund.

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	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 26		
A Provisions - non-current		
Provision for employee benefits:		
Gratuity (refer note 46)	1,162.18	706.15
Compensated absences (refer note 46)	429.11	249.65
	1,591.29	955.80
B Provisions - current		
Provision for employee benefits:		
Gratuity (refer note 46)	113.25	56.00
Compensated absences (refer note 46)	42.16	23.93
	155.41	79.93
Note - 27		
A Other non-current liabilities		
Deferred revenue	10,822.64	10,959.87
Advance received for land	6,622.48	6,500.00
	17,445.12	17,459.87
	31 March 2019	31 March 2018
	(` in lakhs)	(` in lakhs)
B Other current liabilities		(Restated)*
Payable to statutory and government authorities	1,538.83	4,045.19
Advance from customers	422,062.24	802,856.90
Deferred revenue	137.73	137.72
Liability against development rights	10,275.00	10,275.00
Other advances#	6,600.00	-
Other liabilities	1,628.74	602.33
	442,242.54	817,917.14
*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.		
#The Group has received this advance for proposed business transaction.		
Note - 28		
Redeemable preference shares		
Redeemable preference shares	45,000.00	-
	45,000.00	-
Note : During the year ended 31 March 2019, one of the subsidiary company issued 0.001% Redeemable preference shares (RPS) of face value of ` 10 each fully paid up. The payment of dividend shall be on non cumulative basis. Subject to the provisions of the Companies Act 2013, the RPS shall be redeemable, at sole discretion of the issuer company, at any time in one or more tranches within a period not exceeding 20 years from the date of allotment at the price which shall be the face value of equity shares of the issuer company.		
Note - 29		
Current tax liabilities (net)		
Provision for income tax, net of advance tax and tax deducted at source	2,469.20	4,409.24
	2,469.20	4,409.24

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	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs) (Restated)*
Note - 30		
Revenue from operations		
Revenue from real estate properties	452,111.61	32,513.27
Revenue from real estate properties advisory and management services	1,919.61	-
Revenue from sale of land	306.60	20,822.51
Rental and land lease	1,695.15	58,136.20
Revenue from maintenance services	474.44	8,137.74
Revenue from construction contracts	16,586.83	336.36
Other operating income		
Profit on loss of control in subsidiaries and gain on fair valuation of remaining stake (refer note 59 and 55)	13,390.02	282,477.38
Profit on sale of stake in subsidiaries (refer note 60 and 56)	1,414.67	4,678.51
Profit on sale of investments	4,448.78	26,133.51
Income from advisory services	115.20	14,500.00
Interest income on delayed payments from customers	303.29	121.43
Forfeiture income	1,622.69	1,590.09
Income from car parking	-	819.52
	494,388.89	450,266.52

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 31		
Other income		
Dividend income*	-	615.53
Interest income	4,268.30	9,726.14
Profit on sale of investments in mutual funds (net)	1,624.48	2,798.84
Profit on sale of guaranteed senior notes (net)	-	8,179.46
Profit on sale of property, plant and equipment (net)	-	105.54
Foreign exchange gain (net)	-	247.41
Gain on fair valuation of financial instruments	1,457.26	616.08
Amortisation of derivative balance (difference between forward and spot element)	664.43	-
Excess provision/liabilities written back	737.19	-
Miscellaneous income	439.21	628.55
	9,190.87	22,917.55

*The company did not receive any dividend from the equity instruments designated as FVOCI.

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs) (Restated)*
Note - 32		
Cost of revenue		
Cost of land, developed properties and others	202,619.70	49,214.72
Decrease/(increase) in inventory of land and real estate properties#		
Opening stock	1,136,118.04	1,315,546.49
Closing stock	(984,886.43)	(1,327,252.31)
	151,231.61	(11,705.82)
	353,851.31	37,508.90

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

#this includes impairment of inventories amounting to ` 72,380 lakhs in current year

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 33		
Employee benefits expense		
Salaries and wages	13,328.89	12,210.84
Contribution to provident fund and other funds	67.88	70.39
Staff welfare expenses	100.34	107.62
Share based payment expense (Refer note 47)	351.31	419.72
	13,848.42	12,808.57

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 34		
Finance costs		
Interest expenses	45,966.08	69,553.47
Interest on income taxes	165.37	4,342.38
Other borrowing costs	300.24	526.85
	46,431.69	74,422.70

	31 March 2019 (` in lakhs)	31 March 2018 (` in lakhs)
Note - 35		
Depreciation and amortization expense		
Depreciation on property, plant and equipment	1,215.92	1,888.25
Depreciation on investment property	499.40	7,731.75
Amortization of intangible assets	29.24	30.79
	1,744.56	9,650.79

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 36		
Other expenses		
Rent expenses	2,145.67	584.60
Rates and taxes	1,263.49	2,714.53
Legal and professional expenses	3,459.28	10,168.62
Advertisement expenses	3,722.20	7,186.47
Electricity and water charges	250.55	494.44
Communication expenses	132.73	120.21
Director sitting fees	23.00	26.05
Insurance expenses	121.70	271.95
Printing and stationery	87.40	102.19
Traveling and conveyance expenses	1,867.57	1,417.08
Repairs and maintenance expenses		
Vehicles	146.20	87.99
Buildings	461.49	7,247.74
Others	591.70	1,757.80
Security expenses	31.65	32.73
Membership and subscription fees	15.40	16.77
Loss on sale of property, plant and equipment (net)	463.75	-
Impairment of non-financial assets	-	4,321.24
Corporate social responsibility expenses	452.69	869.80
Brokerage and marketing expenses	1,535.73	4,839.67
Customer incentive and other charges	5,003.32	2,497.92
Software expenses	13.64	9.88
Donations (refer note (i) below)	1.75	12.15
Land advances written off	-	20,138.05
Investments written off*	115.00	1,984.00
Loans written off	-	917.63
Foreign exchange loss (net)	277.28	-
Miscellaneous expenses	255.72	1,049.96
	22,438.91	68,869.47

* In the current year, the amount is on account of few wholly owned subsidiaries of the Group being voluntarily dissolved and struck off from the register of companies.

- (i) The Group has contributed ₹ Nil (31 March 2018: ₹ 500.00 lakhs) as political contribution via an Electoral Trust.

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)*
Note - 37		
Tax expenses:		
Current tax (including earlier years) (refer note 53)	412.08	13,390.85
Less: Minimum alternate tax credit entitlement (including earlier years)	(3.05)	(1,038.98)
Deferred tax charge	33,536.88	21,131.36
Income tax expense reported in the statement of profit or loss	33,945.91	33,483.23

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 34.944% (most of the subsidiaries in the Group has this tax rate) and the reported tax expense in statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations (inclusive of loss/profit from joint ventures)	83,978.32	269,923.64
Accounting profit before income tax	83,978.32	269,923.64

At statutory income tax rate of 34.944% (31 March 2018: 34.608%)	29,345.38	93,415.17

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of exempted income	(13,030.24)	(103,654.27)
Tax impact of indexation benefit under Income Tax Act, 1961	(5,116.24)	-
Deferred tax impact on 'Reversal of revenue and related costs as per Ind AS 115'	(29,911.38)	(9,010.83)
Tax impact of expenses which will never be allowed	504.75	1,736.23
Tax impact of subsidiary companies charged at different tax rate	233.69	(724.59)
Tax impact of unrecognised deferred tax on unabsorbed losses	49,368.96	40,667.03
Tax impact of earlier year items (refer note 53)	2.44	9,322.03
Others	2,548.54	1,732.46
Income tax expense	33,945.91	33,483.23

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

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	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)*
Note - 38		
Earnings per share (EPS)		
The Group's Earnings per Share (EPS) is determined based on the net profit attributable to the shareholders' of the Holding Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. Weighted average number of equity shares includes the impact of buy back of equity shares during the year.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Profit attributable to equity shareholders of the Holding Company (₹ in lakhs)	50,414.57	237,284.52
Nominal value of equity share (₹)	2.00	2.00
Total number of equity shares outstanding at the beginning of the year	478,414,339	478,414,339
Total number of equity shares outstanding at the end of the year	450,680,289	478,414,339
Weighted average number of equity shares for basic earning per share	456,666,283	474,583,918
Add: Share based options*	-	6,261,518
Weighted average number of equity shares adjusted for diluted earning per share	456,666,283	480,845,436
Earnings per equity share:		
Basic	11.04	50.00
Diluted	11.04	49.42

*During the year, potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.

*Refer note 41 (I) for details about restatement on account of changes in accounting policies consequent to adoption of Ind AS 115.

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Note - 39

Fair value measurement

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value – recurring fair value measurements

(` in lakhs)

31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Unquoted equity instruments	-	-	3,182.27	3,182.27
Optionally convertible preference shares	-	-	345.96	345.96
Mutual funds	159.12	-	-	159.12
Financial instruments at FVOCI				
Quoted equity instruments	6,516.49	-	-	6,516.49
Total financial assets	6,675.61	-	3,528.23	10,203.84
31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Unquoted equity instruments	-	-	3,592.16	3,592.16
Optionally convertible preference shares	-	-	335.00	335.00
Mutual funds	138,715.47	-	-	138,715.47
Financial instruments at FVOCI				
Quoted equity instruments	12,429.60	-	-	12,429.60
Total financial assets	151,145.07	-	3,927.16	155,072.23

(iii) Valuation process and technique used to determine fair value

Financial assets

a) Traded (market) price basis recognised stock exchange for quoted equity instruments.

b) Use of net asset value for mutual funds on the basis of the statement received from investee party.

c) For unquoted equity instruments (except one mentioned in point (d) below) and optionally convertible preference shares, the Group has used adjusted net asset value method which factors fair value of assets and liabilities of investee entity with an adjustment of factors such as lack of liquidity, time elapsed from date of investment etc.

d) One of the unquoted equity instruments is measured using net present value of future cash flow (income approach) discounted at a rate to reflect the risk involved in the business and other critical factors.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value (` in lakhs)		Significant unobservable inputs	Data inputs		Sensitivity analysis
	31 March 2019	31 March 2018		31 March 2019	31 March 2018	
Unquoted equity instrument - adjusted net asset value method	3,182.27	3,592.16	Liquidity factor	40%	40%	Change of +/-1% in liquidity factor has following impacts - 31 March 2019 +1% loss of ` (31.82) lakhs -1% gain of ` 31.82 lakhs 31 March 2018 +1% loss of ` (35.92) lakhs -1% gain of ` 35.92 lakhs
Optionally convertible preference shares	345.96	335.00	Liquidity factor	40%	40%	Change of +/-1% in liquidity factor has following impacts - 31 March 2019 +1% loss of ` (3.46) lakhs -1% gain of ` 3.46 lakhs 31 March 2018 +1% loss of ` (3.35) lakhs -1% gain of ` 3.35 lakhs

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(iv) The following table presents the changes in level 3 items for the year ended 31 March 2019 and 31 March 2018:

(₹ in lakhs)

Particulars	Unquoted equity instrument	Optionally convertible preference shares
As at 1 April 2017	7,769.99	480.00
Profit on sale of investments	18,278.51	7,855.00
Amount received on disposal of investments	(22,456.34)	(8,000.00)
As at 31 March 2018	3,592.16	335.00
Gain recognised on account of fair valuation of investments in statement of profit and loss	141.33	10.96
Profit on sale of investments	4,448.78	-
Amount received on disposal of investments	(5,000.00)	-
As at 31 March 2019	3,182.27	345.96

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Note - 40

Financial risk management

i) Financial instruments by category

(₹ in lakhs)						
	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial assets						
Investments						
Equity instruments#	3,182.27	6,516.49	-	3,592.16	12,429.60	-
Optionally convertible preference shares*	345.96	-	-	335.00	-	-
Mutual funds*	159.12	-	-	138,715.47	-	-
Bonds	-	-	6,279.67	-	-	6,279.44
Trade receivables	-	-	26,967.50	-	-	1,433.06
Loans	-	-	52,692.05	-	-	25,770.65
Cash and cash equivalents	-	-	60,291.41	-	-	167,357.11
Other bank balances	-	-	13,488.68	-	-	12,037.43
Security deposits	-	-	3,592.91	-	-	4,644.18
Derivative assets	3,242.41	-	-	-	-	-
Other financial assets	-	-	21,613.78	-	-	8,506.63
Total financial assets	6,929.76	6,516.49	184,926.00	142,642.63	12,429.60	226,028.50

(₹ in lakhs)						
	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial liabilities						
Borrowings (including interest accrued)	-	-	555,816.40	-	-	674,567.94
Trade payables	-	-	101,525.16	-	-	65,660.31
Security deposits	-	-	82.38	-	-	4,698.02
Redeemable preference shares	-	-	45,000.00	-	-	-
Other financial liabilities	-	-	51,951.19	-	-	21,869.49
Total financial liabilities	-	-	754,375.13	-	-	766,795.76

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

ii) Fair value of instruments measured at amortised cost

(₹ in lakhs)						
Particulars	Level	31 March 2019		31 March 2018		
		Carrying value	Fair value	Carrying value	Fair value	
Financial assets						
Investment in bonds	Level 3	6,279.67	6,279.67	6,279.44	6,279.44	
Loans	Level 3	-	-	12,689.65	12,689.65	
Security deposits	Level 3	2,387.36	2,387.36	2,271.16	2,271.16	
Other financial assets	Level 3	20,680.56	20,680.56	403.22	403.22	
Total financial assets		29,347.59	29,347.59	21,643.47	21,643.47	
Financial liabilities						
Borrowings*	Level 3	340,530.96	340,530.96	299,997.74	299,997.74	
Trade payables	Level 3	11,764.29	11,764.29	20,439.22	20,439.22	
Security deposits	Level 3	-	-	3,908.42	3,908.42	
Total financial liabilities		352,295.25	352,295.25	324,345.38	324,345.38	

The above disclosures is presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, trade payables, other current financial liabilities and redeemable preference shares) represents the best estimate of fair value.

* A part of the non-convertible redeemable debentures issued by the Company are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures represents the best estimate of fair value.

iii) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The board of directors has overall responsibility for the establishment and oversight of the risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortized cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- A: Low credit risk
B: Moderate credit risk
C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/Life time expected credit loss
B: High credit risk	Trade receivables	Life time expected credit loss or fully provided for

In respect of trade receivables, the Group recognises a provision for lifetime expected credit loss.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with highly rated banks and financial institution. Loans and other financial assets measured at amortized cost includes long-term bank deposits, security deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. Credit risk is considered low because the Company is in possession of the underlying asset. Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Assets under credit risk –				(₹ in lakhs)	
Credit rating	Particulars			31 March 2019	31 March 2018
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets			188,360.57	364,710.93
C: High credit risk	Trade receivables			33.04	33.04

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

ii) *Concentration of financial assets*

The Group's principal business activities are development of real estate properties and rental income. Loans and other financial assets majorly represents money advanced for business purposes. The Group's exposure to credit risk for trade receivables is presented below.

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Real estate project receivables	26,022.39	311.02
Rental receivables	945.11	1,122.04

b) **Credit risk exposure**

Provision for expected credit losses

The Group provides for 12 month expected credit losses or lifetime expected credit losses for following financial assets –

(₹ in lakhs)			
As at 31 March 2019			
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments (bonds)	6,279.67	-	6,279.67
Trade receivables	27,000.54	33.04	26,967.50
Cash and cash equivalents	60,291.41	-	60,291.41
Other bank balances	13,488.68	-	13,488.68
Loans	52,692.05	-	52,692.05
Security deposit	3,592.91	-	3,592.91
Other financial assets	21,613.78	-	21,613.78

(₹ in lakhs)			
As at 31 March 2018			
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments (bonds)	6,279.44	-	6,279.44
Trade receivables	1,466.10	33.04	1,433.06
Cash and cash equivalents	167,357.11	-	167,357.11
Other bank balances	12,037.43	-	12,037.43
Loans	25,770.65	-	25,770.65
Security deposit	4,644.18	-	4,644.18
Other financial assets	8,506.63	-	8,506.63

Expected credit loss for trade receivables under simplified approach

Real estate business receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the Group's receivables from real estate business does not have any expected credit loss as transfer of legal title of properties sold is generally passed on to the customer, once the Group receives the entire consideration and hence, these are being considered as low credit risk assets. Further, during the periods presented, the Group has made no write-offs of receivables.

Rental business receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the receivables from rental business has low credit risk as the Group holds security deposits against the premises given on rentals. Further, historical trends indicate some shortfall between such deposits held by the Group and amounts due from customers. Hence, with the historical loss experience and forward looking information, the Group has provided expected credit loss in relation to receivables from rental business.

(₹ in lakhs)	
Reconciliation of loss allowance	Trade receivables
Loss allowance on 1 April 2017	719.36
Allowance for expected credit loss	(72.38)
Adjustment on account of sale of subsidiaries	(613.94)
Loss allowance on 31 March 2018	33.04
Allowance for expected credit loss	-
Loss allowance on 31 March 2019	33.04

(B) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lakhs)					
31 March 2019	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings (including interest accrued)	215,424.61	169,187.16	133,805.68	37,398.95	555,816.40
Trade payable	89,760.87	8,571.43	2,142.86	1,050.00	101,525.16
Security deposits	82.38	-	-	-	82.38
Redeemable preference shares	45,000.00	-	-	-	45,000.00
Other financial liabilities	51,951.19	-	-	-	51,951.19
Total	402,219.05	177,758.59	135,948.54	38,448.95	754,375.13

(₹ in lakhs)					
31 March 2018	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings (including interest accrued)	371,260.66	152,264.47	83,998.33	67,044.48	674,567.94
Trade payable	45,221.09	8,674.94	8,571.43	3,192.85	65,660.31
Security deposits	789.60	3,908.42	-	-	4,698.02
Other financial liabilities	21,869.49	-	-	-	21,869.49
Total	439,140.84	164,847.83	92,569.76	70,237.33	766,795.76

(C) Market risk

(i) Interest rate risk

The Group fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Variable rate borrowing	224,074.93	215,280.33
Fixed rate borrowing	329,360.65	444,688.33
Total borrowings	553,435.58	659,968.66

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Interest rates – increase by 1% (31 March 2018 : 1%)	2,240.75	2,152.80
Interest rates – decrease by 1% (31 March 2018 : 1%)	(2,240.75)	(2,152.80)

(ii) Foreign exchange risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group does not hedge its foreign exchange receivables/payables.

Foreign currency risk exposure:

₹ in lakhs)			
Particulars	Currency	31 March 2019	31 March 2018
Trade payables	USD	2.49	614.67
Advances	GBP	-	610.06

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in lakhs)					
Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Trade payables	USD	0.02	6.15	(0.02)	(6.15)
Advances	GBP	-	6.10	-	(6.10)

(iii) Price risk

The Group exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group profit for the periods -

₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Price sensitivity		
Mutual fund		
Price increase by (2%) - FVTPL instrument	3.18	2,774.31
Price decrease by (2%) - FVTPL instrument	(3.18)	(2,774.31)
Unquoted equity instruments		
Price increase by (2%) - FVTPL instrument	63.65	71.84
Price decrease by (2%) - FVTPL instrument	(63.65)	(71.84)
Optionally convertible preference shares		
Price increase by (2%) - FVTPL instrument	6.92	6.70
Price decrease by (2%) - FVTPL instrument	(6.92)	(6.70)
Quoted equity instruments		
Price increase by (2%) - FVOCI instrument	130.33	248.59
Price increase by (2%) - FVOCI instrument	(130.33)	(248.59)

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Note - 41

(I) Revenue related disclosures

A Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(` in lakhs)		
Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Revenue from contracts with customers		
(i) Revenue from operations		
(a) Revenue from real estate properties	452,111.61	32,513.27
(b) Revenue from real estate properties advisory and management services	1,919.61	-
(c) Revenue from sale of land	306.60	20,822.51
(d) Revenue from maintenance services	474.44	8,137.74
(e) Revenue from construction contracts (refer note F below)	16,586.83	336.36
(ii) Other operating income (advisory services, car parking and forfeiture income)	21,294.65	330,320.44
Total revenue covered under Ind AS 115	492,693.74	392,130.32

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

(` in lakhs)		
Particulars	As at 31 March 2019	As at 31 March 2018
Contract liabilities		
Advance from customers	422,062.24	802,856.90
Total contract liabilities	422,062.24	802,856.90
Receivables		
Trade receivables	26,022.39	311.02
Total receivables	26,022.39	311.02

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

C Significant changes in the contract liabilities balances during the year are as follows:

(` in lakhs)		
Particulars	As at 31 March 2019	As at 31 March 2018
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	802,856.90	818,785.60
Addition during the year	45,294.56	16,273.55
Revenue recognised during the year	(426,089.22)	(32,202.25)
Closing balance	422,062.24	802,856.90

D The aggregate amount of transaction price allocated to the unsatisfied performance obligations as at 31 March 2019 is ` 428,662.24 lakhs. This balance represents the advance received from customers (gross) against real estate properties under development. The management expects to further bill and collect the remaining balance of total consideration in the coming years. These balances will be recognised as revenue in future years as per the policy of the Company. Further, as permitted under the transitional provisions of Ind AS 115, the transaction price allocated to the unsatisfied performance obligations as at 31 March 2018 is not disclosed.

E Reconciliation of revenue from sale of properties with contract revenue:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Contract revenue	463,257.45	33,057.99
Adjustment for:		
- Subvention cost*	(11,145.84)	(544.72)
Revenue from sale of properties	452,111.61	32,513.27

* Subvention cost represent the expected cash outflow under the arrangement determined basis time elapsed.

F One of the subsidiary company of the group earns revenue from construction contracts. Revenue and related expenditures in respect of short-term works contracts that are entered into and completed during the year are accounted for on accrual basis as they are earned. Revenue and related expenditures in respect of long-term works contracts are accounted for on the basis of 'input method' as the performance obligations are satisfied over time. For the purpose of revenue recognition, as part of the input method, the percentage of completion is arrived basis the cost incurred as compared the total budgeted cost for the contract. In case of cost plus contracts, revenue is recognised as per terms of specific contract, i.e. cost incurred plus an agreed profit margin.

G Ind AS 115 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects. The Company has applied full retrospective approach in adopting the new standard and accordingly restated the previous period numbers basis completion of contract for all the real estate projects across India. The following table summarises the impact on transition to Ind AS 115 on each individual line items. Line items that are not affected by changes have not been included.

(a) Balance sheet

(₹ in lakhs)

Particulars	31 March 2018 As originally presented	Change	31 March 2018 As restated	31 March 2017 As originally presented	Change	1 April 2017 As restated
Non-current assets						
Deferred tax assets (net)	21,153.73	78,478.43	99,632.16	37,803.69	87,593.21	125,396.90
Current assets						
Inventories (refer note II below)	607,691.16	528,426.88	1,136,118.04	782,862.46	532,684.03	1,315,546.49
Trade receivables	281,196.43	(279,763.37)	1,433.06	382,422.86	(375,400.63)	7,022.23
Current liabilities						
Other current liabilities	182,192.66	635,724.48	817,917.14	243,063.00	591,395.56	834,458.56
Other equity	593,594.55	(308,582.54)	285,012.01	395,580.61	(346,518.95)	49,061.66

(b) Statement of profit and loss

(₹ in lakhs)

Particulars	31 March 2018 As originally presented	Change	31 March 2018 As restated
Revenue			
Revenue from operations	592,653.18	(142,386.66)	450,266.52
Expenses			
(Increase) in real estate project under development	175,171.30	(186,877.12)	(11,705.82)
Profit before tax	225,433.18	44,490.46	269,923.64
Tax expense			
Deferred tax expense	14,577.32	6,554.04	21,131.36
Profit for the year	198,019.49	37,936.62	235,956.11
Net profit attributable to			
Owners of the Holding Company	201,515.09	35,769.43	237,284.52
Non-controlling interests	(3,495.60)	2,167.19	(1,328.41)
Impact on basic earnings per share	42.46	7.54	50.00
Impact on diluted earnings per share	41.99	7.43	49.42

(II) One of the wholly-owned subsidiary of the Group has provided for losses amounting to ₹ 60,197.00 lakhs in respect of one of its project pertaining to earlier years. Accordingly, the Group has restated its financial results as at 1 April 2017 with a corresponding impact as on 31 March 2018 as per the principles of Ind AS 8. This has no impact on the financial results for the year ended 31 March 2019.

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Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019****Note – 42****Capital management**

The Group's objectives when managing capital are:

- To ensure Group's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group manages its capital requirements by overseeing the following ratios–

Debt equity ratio	(₹ in lakhs)	
	31 March 2019	31 March 2018 (restated)
Net debt*	459,099.28	341,858.65
Total equity	400,902.71	400,376.18
Net debt to equity ratio	1.15	0.85

* Net debt includes non-current borrowings + current borrowings + current maturities of non-current borrowings - cash and cash equivalents (including bank deposits and other liquid securities).

The Group has access to the undrawn borrowing facilities of ₹ 20,000.00 lakhs (31 March 2018: ₹ 20,500.00 lakhs) for the year ended 31 March 2019.

Note – 43**Related party transactions**

Relationship	Name of the related parties
Joint ventures	• Indiabulls Properties Private Limited (from 29 March 2018) • Indiabulls Real Estate Company Private Limited (from 29 March 2018) • Indiabulls Realty Developers Limited (from 29 March 2018) • Ashkit Properties Limited (from 28 December 2018) • Yashita Buildcon Limited (from 28 December 2018) • Concepts International India LLP (from 28 December 2018)
Key management personnel	• Mr. Vishal Gaurishankar Damani (Joint Managing Director) • Mr. Gurbans Singh (Joint Managing Director)

a.) Transactions with key management personnel and joint ventures **(₹ in lakhs)**

Nature of transactions	31 March 2019	31 March 2018
Managerial remuneration		
Mr. Vishal Gaurishankar Damani	364.39	274.42
Mr. Gurbans Singh	655.58	518.90
Share based payment		
Mr. Vishal Gaurishankar Damani	36.80	44.38
Mr. Gurbans Singh	21.76	26.06
Other long-term employment benefits - Leave encashment		
Mr. Vishal Gaurishankar Damani	5.37	2.36
Mr. Gurbans Singh	14.22	10.92

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Nature of transactions	31 March 2019	31 March 2018
Post-employment benefits- gratuity		
Mr. Vishal Gaurishankar Damani	1.50	6.68
Mr. Gurbans Singh	0.93	9.29
Loans given/(received back) (net)		
Ashkit Properties Limited	(11,000.00)	-
Yashita Buildcon Limited	(15,616.49)	-
Indiabulls Properties Private Limited	4,344.51	-
Interest income		
Ashkit Properties Limited	76.02	-
Indiabulls Properties Private Limited	791.89	-
Indiabulls Real Estate Company Private Limited	30.18	-
Income from administration, legal and management fee and marketing commission		
Indiabulls Realty Developers Limited	1,906.33	-
Yashita Buildcon Limited	13.28	-
Rent expenses		
Indiabulls Real Estate Company Private Limited	1,528.08	-
Maintenance expenses		
Indiabulls Real Estate Company Private Limited	191.01	-
Electricity expenses		
Indiabulls Real Estate Company Private Limited	96.14	-
Expenses paid on behalf of		
Indiabulls Real Estate Company Private Limited	27.10	-
Indiabulls Properties Private Limited	76.37	-
Revenue from construction contracts (excluding taxes)		
Indiabulls Properties Private Limited	9,725.16	-
Indiabulls Real Estate Company Private Limited	7,100.80	-
Corporate guarantees (settled)/given		
Indiabulls Properties Private Limited	(38,377.53)	-
Indiabulls Real Estate Company Private Limited	27,951.62	-

b.)Statement of balances outstanding of key management personnel and joint ventures
(₹ in lakhs)

Particulars of balances in respect of related party transactions	31 March 2019	31 March 2019
Advance from customers		
Indiabulls Properties Private Limited	90,791.27	102,187.80
Indiabulls Real Estate Company Private Limited	29,528.68	38,073.90
Inter-corporate loans given		
Indiabulls Properties Private Limited	4,737.13	-
Ashkit Properties Limited	3,633.45	-
Security deposits		
Indiabulls Real Estate Company Private Limited	1,401.43	1,236.64

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Particulars of balances in respect of related party transactions	31 March 2019	31 March 2019
Trade receivables		
Indiabulls Realty Developers Limited	574.96	-
Yashita Buildcon Limited	14.34	-
Indiabulls Real Estate Company Private Limited	-	182.98
Indiabulls Properties Private Limited	-	2.21
Post-employment benefits – gratuity		
Mr. Vishal Gaurishankar Damani	14.84	13.34
Mr. Gurbans Singh	19.03	18.09
Post-employment benefits – leave encashment		
Mr. Vishal Gaurishankar Damani	17.41	12.04
Mr. Gurbans Singh	51.92	37.70
Investments in equity shares		
Indiabulls Properties Private Limited	130,000.00	130,000.00
Indiabulls Real Estate Company Private Limited	95,000.00	95,000.00
Ashkit Properties Limited	3,416.08	-
Yashita Buildcon Limited	5.00	-
Other receivables		
Indiabulls Real Company Private Limited	0.93	-
Indiabulls Properties Private Limited	0.93	-
Investments in compulsorily convertible debentures		
Yashita Buildcon Limited	6.41	-
Optionally convertible preference shares issued		
Indiabulls Properties Private Limited	42,500.00	42,500.00
Indiabulls Real Estate Company Private Limited	62,328.00	62,328.00
Corporate guarantees given		
Indiabulls Real Estate Company Private Limited	246,909.35	218,957.72
Indiabulls Properties Private Limited	256,452.78	294,830.31

Note – 44

Contingent liabilities and commitments

A) Summary of contingent liabilities

- Corporate guarantee issued by Holding Company on behalf of joint ventures amounting to ₹ 503,362.13 lakhs (31 March 2018: ₹ 513,788.03 lakhs)
- Contingent liabilities in respect of income-tax demands for which appeals have been filed ₹ 9,032.96 lakhs (31 March 2018: ₹ 7,903.79 lakhs)
- Contingent liabilities in respect of property-tax demands for which appeals have been filed ₹ Nil (31 March 2018: ₹ 730.43 lakhs)
- Contingent liabilities in respect of service tax demands for which appeals have been filed ₹ 3,175.81 lakhs (31 March 2018: ₹ 2,064.13)
- The Group has certain litigations involving customers. Management believes that these claims may be payable as and when the outcome of matters are finally determined. Based on past trends and internal legal analysis, the management believes that no material liability will devolve on the Group in respect of these litigations.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

B) Commitments

- i. Letter of credit issued amounting to ₹ 5,124.07 lakhs (31 March 2018: ₹ 714.93 lakhs)
- ii. The Holding Company had given Sponsors Support Undertaking (“SSU”) to meet any shortfalls in the funding requirement of project and towards cost overrun to financial institution/banks for term loan sanctioned to RattanIndia Nasik Power Limited, a subsidiary of RattanIndia Power Limited in the event of inability of RattanIndia Nasik Power Limited (“RNPL”) to arrange required equity support for Nasik Thermal Power Project Phase II. Pursuant to the demerger of the power business from the Holding Company vide order dated 17 October 2011 passed by the Hon’ble Delhi High Court in Holding Company Petition No 295 of 2011, all the liabilities and obligations of the Holding Company in relation to the power business stood transferred and vested into RattanIndia Infrastructure Limited. Furthermore, the promoters of RattanIndia Power Limited (“RPL”) have subsequently undertaken not to drawdown any funds from such debt facilities with respect to Nashik Thermal Power Project Phase II.
- iii. The Holding Company had given Sponsors Support Undertaking (“SSU”) to fund the required equity and any shortfall in means of finance by subscription to the shares of RattanIndia Power Limited, a company together promoted by RattanIndia Infrastructure Limited and RR Infra Land Private Limited, for term loan facility sanctioned to RattanIndia Power Limited (“RPL”) in the event of inability of RPL to arrange the required equity support for Amravati Power Project Phase II. Under the SSU, the Holding Company had also guaranteed to meet RPL’s debt obligations in respect of Amravati Power Project Phase II in the event coal linkage for the project is cancelled/deferred and RPL fails to make any alternate arrangement of required coal six months prior to the scheduled commercial operation date of unit I of Amravati Power Project Phase II. Pursuant to the demerger of the power business from the Holding Company vide order dated 17th October 2011 passed by the Hon’ble Delhi High Court in Holding Company Petition No 295 of 2011, all the liabilities and obligations of the Holding Company in relation to the power business stood transferred and vested into RattanIndia Infrastructure Limited. Furthermore, the promoters of RPL have subsequently undertaken not to drawdown any funds from such debt facilities with respect to Amravati Power Project Phase II.

Note – 45

A) Operating leases

i) Group as lessee

The Group has taken various premises on operating leases and lease rent of ₹ 2,145.67 lakhs (31 March 2018: ₹ 584.60 lakhs) in respect of the same has been charged to statement of profit and loss for the year ended 31 March 2019. The underlying agreements are executed for a period generally ranging from three to five years, renewable on mutual consent and are cancellable in some cases, by either party giving notice generally of 30 to 180 days. There are no restrictions imposed by such leases and there are no subleases. The minimum lease rentals payable in respect of such operating leases are as under:

	(₹ in lakhs)	
	31 March 2019	31 March 2018
Within one year	1,182.85	1,091.69
Later than one year but not later than five years	186.79	933.93
Later than five years	-	-

ii) Group as lessor

The Group has leased out land (previous year land and various properties) on operating lease basis and lease rent of ₹ 1,663.65 lakhs (31 March 2018: ₹ 58,136.20 Lakhs) in respect of the same has been recognised as income in the statement of profit and loss for the year ended 31 March 2019. The minimum lease rent receivable in respect of such operating leases are as under:

	(₹ in lakhs)	
Particulars	31 March 2019	31 March 2018
Within one year	13.92	5,292.82
Later than one year but not later than five years	55.69	4,359.56
Later than five years	1,060.21	1,085.12

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019****Note – 46****Employee benefits****Defined contribution plan**

The Group has made ₹ 67.88 lakhs (31 March 2018 - ₹ 70.39 lakhs) contribution in respect of provident fund and other funds.

Defined Benefit Plan

The Group has the following Defined Benefit Plans:

- Compensated absences (Unfunded)
- Gratuity (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality risk	Actual death & liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Compensated absences

The leave obligations cover the Group's liability for permitted leaves. The amount of provision of ₹ 42.16 lakhs (31 March 2018 - ₹ 23.93 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is in the range of 13.02 to 20.84 years (31 March 2018: 11.90 to 22.14 years).

Actuarial (gain)/loss on obligation:**(₹ in lakhs)**

Particulars	31 March 2019	31 March 2018
Actuarial loss/(gain) on arising from change in financial assumptions	23.84	(4.81)
Actuarial gain on arising from change in experience adjustment	(36.33)	(21.68)
Total	(12.49)	(26.49)

Amount recognised in the statement of profit and loss is as under:**(₹ in lakhs)**

	31 March 2019	31 March 2018
Service cost	85.12	56.54
Net interest cost	20.88	14.88
Actuarial (gain) for the year	(12.50)	(26.49)
Expense recognized in the statement of profit and loss	93.50	44.93

Movement in the liability recognized in the balance sheet is as under:**(₹ in lakhs)**

	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	273.58	312.45
Adjustment on account of disposal/acquisition of entities	104.19	(83.82)
Current service cost	85.12	56.54
Interest cost	20.88	14.88
Actuarial gain on obligation	(12.50)	(26.49)
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	471.27	273.58

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Bifurcation of projected benefit obligation at the end of the year in current and non-current (₹ in lakhs)

	Particulars	31 March 2019	31 March 2018
a)	Current liability (amount due within one year)	42.16	23.93
b)	Non - current liability (amount due over one year)	429.11	249.65
	Total projected benefit obligation at the end of the year	471.27	273.58

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Compensated absences	
	31 March 2019	31 March 2018
Discount rate	7.71%	7.93%
Salary escalation rate	5.50%	5.25%
Mortality table	Indian Assured Lives Mortality 100% of (2006 -08)	Indian Assured Lives Mortality 100% of (2006 -08)

As the Group does not have any plan assets for compensated absences, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan

(₹ in lakhs)

	Year	31 March 2019	Year	31 March 2018
a)	April 2019 – March 2020	42.16	April 2018 – March 2019	23.93
b)	April 2020 – March 2021	8.33	April 2019 – March 2020	6.31
c)	April 2021 – March 2022	60.02	April 2020 – March 2021	7.70
d)	April 2022 – March 2023	7.37	April 2021 – March 2022	4.55
e)	April 2023 – March 2024	23.90	April 2022 – March 2023	5.08
f)	April 2024 – March 2025	11.68	April 2023 – March 2024	17.10
g)	April 2025 onwards	317.81	April 2024 onwards	208.92

Sensitivity analysis for compensated absences

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	471.27	273.58
a) Impact due to increase of 0.50 %	(25.08)	(15.95)
b) Impact due to decrease of 0.50 %	27.40	17.46
Impact of the change in salary increase		
Present value of obligation at the end of the year	471.27	273.58
a) Impact due to increase of 0.50 %	27.86	17.83
b) Impact due to decrease of 0.50 %	(25.70)	(16.42)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is in the range of 13.02 to 20.84 years (31 March 2018: 11.96 to 22.14 years)

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Actuarial (gain)/loss on obligation recognised in other comprehensive income (₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Actuarial loss/(gain) on arising from change in financial assumptions	89.26	(13.58)
Actuarial loss on arising from change in experience adjustment	169.68	30.38
Total	258.94	16.80

Amount recognised in the statement of profit and loss is as under: (₹ in lakhs)

	31 March 2019	31 March 2018
Service cost	202.14	133.61
Net interest cost	58.54	36.97
Expense recognized in the statement of profit and loss	260.68	170.58

Movement in the liability recognized in the balance sheet is as under: (₹ in lakhs)

	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	762.15	609.02
Current service cost	202.14	133.61
Past service cost	-	104.00
Adjustment on account of disposal of entities	103.63	(116.81)
Interest cost	58.54	36.97
Actuarial loss on obligation	258.94	16.80
Benefits paid	(109.97)	(21.44)
Present value of defined benefit obligation at the end of the year	1,275.43	762.15

Bifurcation of projected benefit obligation at the end of the year in current and non-current (₹ in lakhs)

	Particulars	31 March 2019	31 March 2018
a)	Current liability (amount due within one year)	113.25	56.00
b)	Non - current liability (amount due over one year)	1,162.18	706.15
	Total projected benefit obligation at the end of the year	1,275.43	762.15

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2019	31 March 2018
Discount rate	7.71%	7.93%
Salary escalation rate	5.50%	5.25%
Mortality table	Indian Assured Lives Mortality 100% of (2006 -08)	Indian Assured Lives Mortality 100% of (2006 -08)

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan (₹ in lakhs)

	Year	31 March 2019	Year	31 March 2018
a)	April 2019 – March 2020	113.25	April 2018 – March 2019	56.00
b)	April 2020 – March 2021	25.05	April 2019 – March 2020	30.22
c)	April 2021 – March 2022	23.21	April 2020 – March 2021	25.77
d)	April 2022 – March 2023	43.71	April 2021 – March 2022	15.63
e)	April 2023 – March 2024	21.23	April 2022 – March 2023	13.04
f)	April 2024 – March 2025	50.05	April 2023 – March 2024	38.25
g)	April 2025 onwards	998.93	April 2024 onwards	583.24

Sensitivity analysis for gratuity (₹ in lakhs)

Particulars	31 March 2019	31 March 2018

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Impact of the change in discount rate			
	Present value of obligation at the end of the year	1,275.43	762.15
a)	Impact due to increase of 0.50 %	(73.76)	(44.84)
b)	Impact due to decrease of 0.50 %	80.85	49.14
Impact of the change in salary increase			
	Present value of obligation at the end of the year	1,275.43	762.15
a)	Impact due to increase of 0.50 %	82.21	50.21
b)	Impact due to decrease of 0.50 %	(75.58)	(46.14)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Note – 47

Share based payments

Indiabulls Real Estate Limited Employees Stock Options Scheme – 2006 (I)

During the year ended 31 March 2007, the Holding Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme (“IBREL ESOS-I” or “Plan-I”). Under the Plan- I, the Holding Company issued 9,000,000 equity settled options to its eligible employees and its subsidiary companies which gave them a right to subscribe up to 9,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each of the Holding Company at an exercise price of ₹ 60 per option, subject to the requirements of vesting. These options vest uniformly over a period of 10 years, commencing one year after from the date of grant. A compensation committee constituted by the Board of Directors of the Holding Company administers the Plan- I. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 1 November 2007, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2019	31 March 2018
Opening balance	-	1,481,000
Granted during the year	-	-
Exercised during the year	-	1,275,500
Forfeited during the year	-	205,500
Closing balance	-	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2019: ₹ Nil (31 March 2018: ₹ 87.38)

Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II)

During the year ended 31 March 2009, the Holding Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) (“IBREL ESOS-II” or “Plan-II”). Under Plan II, the Holding Company issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each in the Holding Company, at an exercise price of ₹ 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at 29 January 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 31 January 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan:

Particulars	31 March 2019	31 March 2018
Opening balance	165,000	406,000
Granted during the year	-	-
Exercised during the year	-	230,000
Forfeited during the year	-	11,000
Closing balance	165,000	165,000
Vested and exercisable	165,000	112,500

Weighted average share exercised price during the year ended 31 March 2019: ₹ Nil (31 March 2018: ₹ 92.28)

The fair value of the option under Plan II using the black scholes model, based on the following parameters is ₹ 62.79 per option, as certified by an independent valuer.

Particulars	Plan – II

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Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Fair market value of option on the date of grant	₹ 62.79
Exercise price	₹ 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	10.5 Years
Expected dividend yield	3.92%
Risk free interest rate	6.50%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2010 (III)

During the year ended 31 March 2011, the Board of Directors and shareholders of the Holding Company have given their consent to create, issue, offer and allot to the eligible employees of the Holding Company and its subsidiary companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 equity shares of face value of ₹2 each of the Holding Company, accordingly the Employee Stock Option Plan - 2010 ("IBREL ESOP 2010" or "Plan-III") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Holding Company, being the latest available closing price, prior to the date of grant or as the case may be decided by the board of directors or compensation committee. During the year ended 31 March 2016, board of directors of the Holding Company at its meeting held on 26 June 2015, re-granted (original grant was of date 14 November 2015) under the "Indiabulls Real Estate Limited Employees Stock Options Plan - 2010", 10,500,000 stock options to eligible employees of the Holding Company and its subsidiary companies representing an equal number of equity shares of face value of ₹ 2 each in the Holding Company, at an exercise price of ₹ 54.50, being the closing market price of previous day on the National Stock Exchange of India Limited. The stock options so granted, shall vest within 5 years beginning from 26 June 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan –

Particulars	31 March 2019	31 March 2018
Opening balance	8,049,100	8,599,400
Granted during the year	-	-
Exercised during the year	2,006,150	550,300
Forfeited during the year	-	-
Closing balance	6,042,950	8,049,100
Vested and exercisable	2,196,950	2,280,100

Weighted average share exercised price during the year ended 31 March 2019: ₹ 178.24 (31 March 2018: ₹ 95.14)

The fair value of the option under Plan III using the black scholes model, based on the following parameters is ₹ 34.30 per option, as certified by an independent valuer.

Particulars	Plan – III
Fair market value of option on the date of grant	₹ 34.30
Exercise price	₹ 54.50
Expected volatility	89%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	8 Years
Expected dividend yield	3.45%
Risk free interest rate	8.03%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2011 (IV)

During the year ended 31 March 2012, the board of directors and shareholders of the Holding Company have given their consent to create, issue, offer and allot, to the eligible employees of the Holding Company and its subsidiary companies, stock options not exceeding 15,000,000 in number, representing 15,000,000 equity shares of face value of ₹2 each, and accordingly the Employee Stock Option Scheme 2011 ("IBREL ESOS 2011") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Holding Company, being the latest available closing price,

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019**

prior to the date of grant or as may be decided by the board or compensation committee. However, compensation committee of the board has not yet granted any options under IBREL ESOP 2011 Scheme.

Note – 48**Capital reserve on consolidation**

On acquisition of investments in subsidiaries by the Group at different point in time, it has resulted in (after netting off the goodwill arising on such acquisition) a capital reserve on consolidation of ₹ 104,232.79 lakhs (31 March 2018: ₹ 104,232.79 lakhs) which is shown under reserves and surplus head of other equity.

Note – 49**Group information****Information about subsidiaries and joint ventures**

The information about subsidiaries and joint ventures of the Holding Company is as follows. The below table includes the information about step down subsidiaries and joint ventures as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Aedos Real Estate Company Limited	India	100.00%	100.00%
Airmid Developers Limited	India	100.00%	100.00%
Airmid Properties Limited	India	100.00%	100.00%
Airmid Real Estate Limited	India	100.00%	100.00%
Albasta Constructions Limited	India	100.00%	100.00%
Albasta Developers Limited	India	100.00%	100.00%
Albasta Infrastructure Limited	India	100.00%	100.00%
Albasta Properties Limited	India	100.00%	100.00%
Albasta Real Estate Limited	India	100.00%	100.00%
Albina Properties Limited	India	100.00%	100.00%
Albina Real Estate Limited	India	100.00%	100.00%
Amadis Land Development Limited	India	100.00%	100.00%
Angina Properties Limited	India	100.00%	100.00%
Angles Constructions Limited	India	100.00%	100.00%
Apesh Constructions Limited	India	100.00%	100.00%
Apesh Properties Limited	India	100.00%	100.00%
Apesh Real Estate Limited	India	100.00%	100.00%
Ashkit Constructions Limited	India	100.00%	100.00%
Athena Builders and Developers Limited	India	100.00%	100.00%
Athena Buildwell Limited	India	100.00%	100.00%
Athena Infrastructure Limited	India	100.00%	100.00%
Athena Land Development Limited	India	100.00%	100.00%
Aurora Builders and Developers Limited	India	100.00%	100.00%
Bridget Builders and Developers Limited	India	100.00%	100.00%
Catherine Builders and Developers Limited	India	100.00%	100.00%
Ceres Constructions Limited	India	100.00%	100.00%
Ceres Estate Limited	India	100.00%	100.00%
Ceres Infrastructure Limited	India	100.00%	100.00%
Ceres Land Development Limited	India	100.00%	100.00%

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Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Ceres Properties Limited	India	100.00%	100.00%
Chloris Real Estate Limited	India	100.00%	100.00%
Citra Developers Limited	India	100.00%	100.00%
Citra Properties Limited	India	100.00%	100.00%
Cobitis Buildwell Limited	India	100.00%	100.00%
Cobitis Real Estate Limited	India	100.00%	100.00%
Corus Real Estate Limited	India	100.00%	100.00%
Devona Developers Limited	India	100.00%	100.00%
Devona Infrastructure Limited	India	100.00%	100.00%
Devona Properties Limited	India	100.00%	100.00%
Diana Infrastructure Limited	India	100.00%	100.00%
Diana Land Development Limited	India	100.00%	100.00%
Edesia Constructions Limited	India	100.00%	100.00%
Edesia Developers Limited	India	100.00%	100.00%
Edesia Infrastructure Limited	India	100.00%	100.00%
Elena Constructions Limited	India	100.00%	100.00%
Elena Properties Limited	India	100.00%	100.00%
Fama Builders and Developers Limited	India	100.00%	100.00%
Fama Construction Limited	India	100.00%	100.00%
Fama Estate Limited	India	100.00%	100.00%
Fama Infrastructure Limited	India	100.00%	100.00%
Fama Land Development Limited	India	100.00%	100.00%
Fama Properties Limited	India	100.00%	100.00%
Flora Land Development Limited	India	100.00%	100.00%
Fornax Constructions Limited	India	100.00%	100.00%
Fornax Real Estate Limited	India	100.00%	100.00%
Galium Builders And Developers Limited	India	100.00%	100.00%
Hecate Power and Land Development Limited	India	100.00%	100.00%
Hermes Builders and Developers Limited	India	100.00%	100.00%
Hermes Properties Limited	India	100.00%	100.00%
IB Assets Limited	India	100.00%	100.00%
IB Holdings Limited	India	100.00%	100.00%
Indiabulls Buildcon Limited	India	100.00%	100.00%
Indiabulls Commercial Assets Limited	India	100.00%	100.00%
Indiabulls Commercial Estate Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Management Limited	India	100.00%	100.00%
Indiabulls Communication Infrastructure Limited	India	100.00%	100.00%
Indiabulls Constructions Limited	India	100.00%	100.00%
Indiabulls Engineering Limited	India	100.00%	100.00%
Indiabulls Estate Limited	India	100.00%	100.00%
Indiabulls Hotel Properties Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Indiabulls Housing and Constructions Limited	India	100.00%	100.00%
Indiabulls Housing and Land Development Limited	India	100.00%	100.00%
Indiabulls Housing Developers Limited	India	100.00%	100.00%
Indiabulls Industrial Infrastructure Limited	India	89.01%	89.01%
Indiabulls Infraestate Limited	India	100.00%	100.00%
Indiabulls Infrastructure Projects Limited	India	100.00%	100.00%
Indiabulls Infratech Limited	India	100.00%	100.00%
Indiabulls Land Holdings Limited	India	100.00%	100.00%
Indiabulls Lands Limited	India	100.00%	100.00%
Indiabulls Multiplex Services Limited	India	100.00%	100.00%
Indiabulls Natural Resources Limited	India	100.00%	100.00%
Indiabulls Projects Limited	India	100.00%	100.00%
Indiabulls Real Estate Builders Limited	India	100.00%	100.00%
Indiabulls Real Estate Developers Limited	India	100.00%	100.00%
Indiabulls Realty Company Limited	India	100.00%	100.00%
Indiabulls Software Parks Limited	India	100.00%	100.00%
Ivonne Infrastructure Limited	India	100.00%	100.00%
Juventus Constructions Limited	India	100.00%	100.00%
Juventus Estate Limited	India	100.00%	100.00%
Juventus Infrastructure Limited	India	100.00%	100.00%
Juventus Land Development Limited	India	100.00%	100.00%
Juventus Properties Limited	India	100.00%	100.00%
Kailash Buildwell Limited	India	100.00%	100.00%
Kaltha Developers Limited	India	100.00%	100.00%
Karakoram Buildwell Limited	India	100.00%	100.00%
Karakoram Properties Limited	India	100.00%	100.00%
Kenneth Builders and Developers Limited	India	100.00%	100.00%
Lakisha Infrastructure Limited	India	100.00%	100.00%
Lakisha Real Estate Limited	India	100.00%	100.00%
Lavone Builders And Developers Limited	India	100.00%	100.00%
Lenus Constructions Limited	India	100.00%	100.00%
Lenus Infrastructure Limited	India	100.00%	100.00%
Lenus Properties Limited	India	100.00%	100.00%
Linnet Constructions Limited	India	100.00%	100.00%
Linnet Developers Limited	India	100.00%	100.00%
Linnet Infrastructure Limited	India	100.00%	100.00%
Linnet Properties Limited	India	100.00%	100.00%
Linnet Real Estate Limited	India	100.00%	100.00%
Loon Infrastructure Limited	India	100.00%	100.00%
Loon Land Development Limited	India	100.00%	100.00%
Lorena Builders Limited	India	100.00%	100.00%
Lorena Constructions Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Lorena Developers Limited	India	100.00%	100.00%
Lorena Infrastructure Limited	India	100.00%	100.00%
Lorena Real Estate Limited	India	100.00%	100.00%
Lorita Developers Limited	India	100.00%	100.00%
Lucina Builders and Developers Limited	India	100.00%	100.00%
Lucina Buildwell Limited	India	100.00%	100.00%
Lucina Constructions Limited	India	100.00%	100.00%
Lucina Estate Limited	India	100.00%	100.00%
Lucina Land Development Limited	India	100.00%	100.00%
Lucina Properties Limited	India	100.00%	100.00%
Mabon Constructions Limited	India	100.00%	100.00%
Mabon Infrastructure Limited	India	100.00%	100.00%
Mabon Properties Limited	India	100.00%	100.00%
Majesta Builders Limited	India	100.00%	100.00%
Majesta Constructions Limited	India	100.00%	100.00%
Majesta Developers Limited	India	100.00%	100.00%
Majesta Infrastructure Limited	India	100.00%	100.00%
Majesta Properties Limited	India	100.00%	100.00%
Makala Infrastructure Limited	India	100.00%	100.00%
Manjola Infrastructure Limited	India	100.00%	100.00%
Manjola Real Estate Limited	India	100.00%	100.00%
Mariana Constructions Limited	India	100.00%	100.00%
Mariana Developers Limited	India	100.00%	100.00%
Mariana Infrastructure Limited	India	100.00%	100.00%
Mariana Properties Limited	India	100.00%	100.00%
Mariana Real Estate Limited	India	100.00%	100.00%
Milkyway Buildcon Limited	India	100.00%	100.00%
Nerissa Constructions Limited	India	100.00%	100.00%
Nerissa Developers Limited	India	100.00%	100.00%
Nerissa Infrastructure Limited	India	100.00%	100.00%
Nerissa Properties Limited	India	100.00%	100.00%
Nerissa Real Estate Limited	India	100.00%	100.00%
Nilgiri Buildwell Limited	India	100.00%	100.00%
Nilgiri Infraestate Limited	India	100.00%	100.00%
Nilgiri Infrastructure Development Limited	India	100.00%	100.00%
Nilgiri Infrastructure Limited	India	100.00%	100.00%
Nilgiri Infrastructure Projects Limited	India	100.00%	100.00%
Nilgiri Land Development Limited	India	100.00%	100.00%
Nilgiri Land Holdings Limited	India	100.00%	100.00%
Nilgiri Lands Limited	India	100.00%	100.00%
Nilgiri Resources Limited	India	100.00%	100.00%
Noble Realtors Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Paidia Infrastructure Limited	India	100.00%	100.00%
Parmida Constructions Limited	India	100.00%	100.00%
Parmida Developers Limited	India	100.00%	100.00%
Parmida Properties Limited	India	100.00%	100.00%
Platane Infrastructure Limited	India	100.00%	100.00%
Selene Builders and Developers Limited	India	100.00%	100.00%
Selene Buildwell Limited	India	100.00%	100.00%
Selene Constructions Limited	India	100.00%	100.00%
Selene Infrastructure Limited	India	100.00%	100.00%
Selene Land Development Limited	India	100.00%	100.00%
Selene Properties Limited	India	100.00%	100.00%
Sentia Constructions Limited	India	100.00%	100.00%
Sentia Developers Limited	India	100.00%	100.00%
Sentia Infrastructure Limited	India	100.00%	100.00%
Sentia Real Estate Limited	India	100.00%	100.00%
Sepset Developers Limited	India	100.00%	100.00%
Sepset Real Estate Limited	India	100.00%	100.00%
Serida Infrastructure Limited	India	100.00%	100.00%
Serida Properties Limited	India	100.00%	100.00%
Serpentes Constructions Limited	India	100.00%	100.00%
Shivalik Properties Limited	India	100.00%	100.00%
Sophia Constructions Limited	India	100.00%	100.00%
Sophia Real Estate Limited	India	100.00%	100.00%
Sylvanus Properties Limited	India	100.00%	100.00%
Tapir Constructions Limited	India	100.00%	100.00%
Tapir Land Development Limited	India	100.00%	100.00%
Tefia Land Development Limited	India	100.00%	100.00%
Triton Buildwell Limited	India	100.00%	100.00%
Triton Estate Limited	India	100.00%	100.00%
Triton Infrastructure Limited	India	100.00%	100.00%
Triton Properties Limited	India	100.00%	100.00%
Varali Constructions Limited	India	100.00%	100.00%
Varali Developers Limited	India	100.00%	100.00%
Varali Infrastructure Limited	India	100.00%	100.00%
Varali Properties Limited	India	100.00%	100.00%
Varali Real Estate Limited	India	100.00%	100.00%
Vindhyachal Buildwell Limited	India	100.00%	100.00%
Vindhyachal Developers Limited	India	100.00%	100.00%
Vindhyachal Infrastructure Limited	India	100.00%	100.00%
Vindhyachal Land Development Limited	India	100.00%	100.00%
Vonnie Real Estate Limited	India	100.00%	100.00%
Zeus Builders And Developers Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Zeus Buildwell Limited	India	100.00%	100.00%
Zeus Estate Limited	India	100.00%	100.00%
Zeus Properties Limited	India	100.00%	100.00%
Arianca Limited	Cyprus	100.00%	100.00%
Ariston Investments Limited	Mauritius	100.00%	100.00%
Ariston Investments Sub C Limited	Mauritius	100.00%	100.00%
Brenformexa Limited	Cyprus	100.00%	100.00%
Century Limited	Jersey	100.00%	100.00%
Dev Property Development Limited	Isle of Man	100.00%	100.00%
Eros Limited	Jersey	100.00%	100.00%
Foundvest Limited	Cyprus	100.00%	100.00%
Grand Limited	Jersey	100.00%	100.00%
Grapene Limited	Cyprus	100.00%	100.00%
Indiabulls Properties Investment Trust	Singapore	100.00%	100.00%
Indiabulls Property Management Trustee Pte. Limited.	Singapore	100.00%	100.00%
IPMT Limited	United Kingdom	100.00%	100.00%
M Holdco 1 Limited	Mauritius	100.00%	100.00%
M Holdco 2 Limited	Mauritius	100.00%	100.00%
M Holdco 3 Limited	Mauritius	100.00%	100.00%
Navilith Holdings Limited	Cyprus	100.00%	100.00%
Nesoi Limited	Jersey	100.00%	100.00%
Rhea Limited	Jersey	100.00%	100.00%
Shoxell Holdings Limited	Cyprus	100.00%	100.00%
Titan Limited	Jersey	100.00%	100.00%
Alexander Transport Solutions Limited (till 9 August 2018) @	India	-	100.00%
Ashkit Developers Limited (till 8 March 2019) @	India	-	100.00%
Ashkit Properties Limited (till 27 December 2018) #	India	-	100.00%
Ashkit Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Chloris Constructions Limited (till 8 March 2019) @	India	-	100.00%
Concepts India International LLP (from 3 October 2018 till 27 December 2019)	India	-	-
Echo Facility Services Limited (till 8 March 2019) @	India	-	100.00%
Edesia Properties Limited (till 8 March 2019) @	India	-	100.00%
Edesia Real Estate Limited (till 9 August 2018) @	India	-	100.00%
Elena Real Estate Limited (till 9 August 2018) @	India	-	100.00%
India Land and Properties Limited (till 6 July 2018) (Refer note 60)	India	-	100.00%
Indiabulls Developers and Infrastructure Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Energy Limited (till 8 March 2019) @	India	-	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Indiabulls Home Developers Limited (till 9 August 2018) @	India	-	100.00%
Indiabulls Infrabuild Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Infrastructure Limited (till 6 July 2018) (Refer note 60)	India	-	100.00%
Indiabulls Malls Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Property Developers Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Road and Infrastructure Services Limited (till 8 March 2019) @	India	-	100.00%
Ivonne Developers Limited (till 8 March 2019) @	India	-	100.00%
Ivonne Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Jwalaji Buildtech Limited (till 8 March 2019) @	India	-	100.00%
Lakisha Developers Limited (till 9 August 2018) @	India	-	100.00%
Lenus Developers Limited (till 8 March 2019) @	India	-	100.00%
Lenus Real Estate Limited (till 9 August 2018) @	India	-	100.00%
Mabon Developers Limited (till 8 March 2019) @	India	-	100.00%
Mabon Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Maximus Entertainments Limited (till 8 March 2019) @	India	-	100.00%
Nav Vahan Autotech Limited (till 9 August 2018) @	India	-	100.00%
Parmida Infrastructure Limited (till 9 August 2018) @	India	-	100.00%
Parmida Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Serida Constructions Limited (till 8 March 2019) @	India	-	100.00%
Serpentes Builders and Developers Limited (till 8 March 2019) @	India	-	100.00%
Tapir Realty Developers Limited (till 8 March 2019) @	India	-	100.00%
Yashita Buildcon Limited (till 27 December 2018) #	India	-	100.00%

Name of Joint Venture	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Indiabulls Properties Private Limited (from 29 March 2018)\$	India	50.00%	50.00%
Indiabulls Real Estate Company Private Limited (from 29 March 2018)\$	India	50.00%	50.00%
Indiabulls Realty Developers Limited (from 29 March 2018)\$	India	50.00%	50.00%
Ashkit Properties Limited (from 28 December 2018) #	India	50.00%	-
Concepts International India LLP (from 28 December 2018) #	India	50.05%	-
Yashita Buildcon Limited (from 28 December 2018) #	India	50.05%	-

@During the year, these wholly owned subsidiaries of the Group have been voluntarily dissolved and have been struck off from the register of companies maintained by the Registrar of Companies.

#During the year, the Group has divested 50% stake in these entities controlled by the Blackstone Group L.P. with this, these wholly owned subsidiaries have become Joint Ventures.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

\$ M Holdco 1 (a wholly owned subsidiary of the Holding Company) has divested its stake in certain step down subsidiaries (namely FIM Holdco I Limited, FIM Holdco II Limited, Ariston Investments Sub A Limited and Ariston Investments Sub B Limited) in favour of entities BREP Asia SBS L&T Holding (NQ) Ltd, BREP VIII SBS L&T Holding (NQ) Ltd and BREP Asia SG L&T Holding (NQ) Pte Ltd, there by indirectly divesting 50% stake in Indiabulls Properties Private Limited ('IPPL'), Indiabulls Real Estate Company Private Limited ('IRECPL') and Indiabulls Realty Developers Limited ('IRDL'). Further to the terms of arrangement of the above divestiture, IPPL, IRECPL and IRDL have been assessed as Joint Ventures in compliance with Indian Accounting Standards ('Ind AS').

Note – 50

Subsidiaries with material non-controlling interest ('NCP')

The group includes following subsidiaries, with material non-controlling interests, as mentioned below:

Description	Country	31 March 2019	31 March 2018
Indiabulls Industrial Infrastructure Limited	India	10.99%	10.99%

The summarised financial information of the subsidiaries before inter-group eliminations are set out below:

Indiabulls Industrial Infrastructure Limited

Balance sheet

(₹ in lakhs)

Description	31 March 2019	31 March 2018
Non-current assets	14,863.04	15,537.64
Current assets	12,402.80	11,774.44
Total assets	27,265.85	27,312.08
Non-current liabilities	17,371.78	17,498.70
Current liabilities	224.38	325.74
Total liabilities	17,596.16	17,824.44
Net assets/total equity	9,669.69	9,487.64
Attributable to:		
Controlling interests	8,606.99	8,444.94
Non-controlling interests	1,062.70	1,042.69

Statement of profit and loss

(₹ in lakhs)

Description	31 March 2019	31 March 2018
Revenue and other income	1,154.87	1,112.30
Profit for the year	181.11	166.81
Total comprehensive income	178.24	166.49
Attributable to non-controlling interests	16.95	18.30

Cash flow information

(₹ in lakhs)

Description	31 March 2019	31 March 2018
Cash used in operating activities	(293.11)	(204.43)
Cash flow from investing activities	291.05	203.01
Net decrease in cash and cash equivalents	(2.06)	(1.42)

Note – 51

Information about Joint Ventures

S.No	Name of Entity	Principal activities	Country of incorporation/ principal place of business	Proportion of ownership (%) as at 31 March 2019	Proportion of ownership (%) as at 31 March 2018
1	Indiabulls Real Estate Company Private Limited	Real estate development and leasing	India	50.00%	50.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

2	Indiabulls Properties Private Limited	Real estate development and leasing	India	50.00%	50.00%
3	Indiabulls Realty Developers Limited	Maintenance of real estate properties	India	50.00%	50.00%
4	Ashkit Properties Limited (from 28 December 2018)	Real estate development and leasing	India	50.00%	-
5	Yashita Buildcon Limited (from 28 December 2018)	Maintenance of real estate properties	India	50.05%	-
6	Concepts International India LLP (from 28 December 2018)	Real estate development and leasing	India	50.05%	-

Summarised financial information for joint ventures –

(₹ in lakhs)

Description	31 March 2019	31 March 2018
Share of loss including other comprehensive income in joint ventures (net)- Material	(312.84)	(484.30)
Share of profit including other comprehensive income in joint ventures (net)- Non-material	300.74	-
Total share of loss from joint ventures (including other comprehensive income)	(12.09)	(484.30)

The tables below provide summarised financial information for those joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures.

(₹ in lakhs)

Particulars	Indiabulls Properties Private Limited		Indiabulls Real Estate Company Private Limited	
Balance sheet	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Cash and cash equivalents	2,818.70	2,601.34	1,509.05	534.73
Other current financial and non-financial assets	388,462.04	403,096.60	63,814.68	49,517.13
Current assets (A)	391,280.74	405,697.93	65,323.73	50,051.86
Non-current assets (B)	178,414.53	179,877.97	273,645.05	258,716.65
Current financial liabilities (excluding trade payables and provisions)	54,392.41	24,528.09	6,846.82	24,028.25
Trade payables and provisions	3,990.82	2,983.44	1,189.95	2,461.76
Other current liabilities	161,577.04	173,641.22	1,460.86	1,297.36
Current liabilities (C)	219,960.27	201,152.75	9,497.63	27,787.37
Non-current financial liabilities (excluding trade payables and provisions)	256,121.63	278,837.38	251,023.40	213,932.99
Trade payables and provisions	-	182.75	-	27.12
Other non-current liabilities	1,175.54	1,416.35	1,172.37	1,402.37
Non-current liabilities (D)	257,297.17	280,253.74	252,195.77	215,362.48
Net assets (A+B-C-D)	92,437.83	103,986.66	77,275.38	65,618.57

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Particulars	Indiabulls Properties Private Limited		Indiabulls Real Estate Company Private Limited	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Statement of profit and loss				
Revenue	43,365.63	(2.17)	33,106.61	20.25
Interest income	283.28	54.36	2,097.82	4.85
Other income	34.76	(51.45)	254.66	336.49
Total revenue (A)	43,683.67	0.74	35,459.09	361.59
Cost of revenue	26,395.63	45.23	3,614.87	-
Employee benefit expense	3.57	21.80	0.01	3.33
Finance costs	8,905.67	271.50	15,278.49	219.38
Depreciation and amortisation	3,656.89	35.86	3,534.76	-
Other expense	16,286.04	86.61	1,443.38	354.53
Total expenses (B)	55,247.80	461.00	23,871.51	577.24
(Loss)/profit before tax (C = A-B)	(11,564.13)	(460.26)	11,587.58	(215.65)
Tax expense (D)	16.48	295.04	-	-
(Loss)/profit for the year (E = C-D)	(11,580.61)	(755.30)	11,587.58	(215.65)
Other comprehensive income (F)	(333.42)	1.34	(488.97)	0.99
Total comprehensive income (E+F)	(11,914.03)	(753.95)	11,098.61	(214.66)
Share of (loss)/profit for the year	(5,957.02)	(376.97)	5,549.31	(107.33)
Capital and other commitments (capital contracts remaining to be executed)	-	167.54	13.03	327.09
Other information (contingent liability)				
Service tax demand in excess of provisions (pending in appeals)	2,573.00	2,573.00	-	-
The joint venture companies have certain litigations involving customers. Management believes that these claims may be payable as and when the outcome of matters are finally determined and hence not disclosed above. Based on internal legal analysis, the management believes that no material liability will devolve on the joint venture companies in respect of these litigations.				

Particulars	Ashkit Properties Limited		Concepts India International LLP	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Balance sheet				
Cash and cash equivalents	24.01	-	60.60	-
Other current financial and non-financial assets	380.87	-	587.00	-
Current assets (A)	404.88	-	647.60	-
Non-current assets (B)	19,844.39	-	10,082.70	-
Current financial liabilities (excluding trade payables and provisions)	4,275.83	-	-	-
Trade payables and provisions	-	-	429.08	-
Other current liabilities	10.06	-	301.83	-
Current liabilities (C)	4,285.89	-	730.19	-
Non-current financial liabilities (excluding trade payables and provisions)	-	-	12,309.13	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Particulars	Ashkit Properties Limited		Concepts India International LLP	
Other non-current liabilities	-	-	467.97	-
Non-current liabilities (D)	-	-	12,777.10	-
Net assets (A+B-C-D)	15,963.38	-	(2,777.71)	-

Particulars	Ashkit Properties Limited		Concepts India International LLP	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Statement of profit and loss				
Revenue	-	-	809.20	-
Other income	4.09	-	14.56	-
Total revenue (A)	4.09	-	823.76	-
Employee benefit expense	0.49	-	-	-
Finance costs	-	-	402.15	-
Depreciation and amortisation	0.70	-	82.49	-
Other expense	12.68	-	136.48	-
Total expenses (B)	13.87	-	621.12	-
(Loss)/profit before tax (C = A-B)	(9.78)	-	202.64	-
Tax expense (D)	-	-	3.12	-
(Loss)/profit for the year (E = C-D)	(9.78)	-	199.52	-
Other comprehensive income (F)	-	-	-	-
Total comprehensive income (E+F)	(9.78)	-	199.52	-
Share of (loss)/profit for the year	(4.89)	-	99.76	-
Capital and other commitments (capital contracts remaining to be executed)	-	-	3,776.28	-
Other information (contingent liability)				
	The joint venture company has a pending litigation involving one of its vendors. However, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial statements of the joint venture company.			

Note – 52

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows. The changes in the Group's liabilities arising from financing activities can be classified as follows:

	(₹ lakhs)		
	Non-current borrowings (including current maturities and interest accrued)	Current borrowings	Total
Net debt as at 1 April 2017	904,167.56	50,800.00	954,967.56

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Proceeds from current/non-current borrowings (including current maturities)	305,250.16	711,500.00	1,016,750.16
Repayment of current/non-current borrowings (including current maturities)	(222,039.41)	(669,800.00)	(891,839.41)
Non-cash movement arising on account of loss of control	(405,787.80)	-	(405,918.00)
Non-cash movement arising on account of foreign currency translation reserve	108.78	-	108.78
Non-cash movement arising on account of amortisation of upfront fees and others	(219.27)	-	(219.27)
Interest expense	101,136.27	-	101,136.27
Interest paid	(100,548.35)	-	(100,548.35)
Net debt as at 31 March 2018	582,067.94	92,500.00	674,567.94
Proceeds from current/non-current borrowings (including current maturities)	426,887.36	423,000.00	849,887.36
Repayment of current/non-current borrowings (including current maturities)	(491,717.43)	(414,000.00)	(905,717.43)
Non-cash movement arising on account of loss of control	(49,006.00)	-	(49,006.00)
Non-cash movement arising on account of amortisation of upfront fees and others	(1,697.03)	-	(1,697.03)
Interest expense	53,485.64	-	53,485.64
Interest paid	(65,704.09)	-	(65,704.09)
Net debt as at 31 March 2019	454,316.39	101,500.00	553,435.57

Note – 53

A search was conducted by the competent authority under section 132(1) of the Income Tax Act, 1961 ('the Act') at premises of the group Companies in the financial year ended 31 March 2017. Consequently, in order to avoid protracted tax litigation, the Group Companies filed an application under Section 245C (1) of the Act before the Hon'ble Income Tax Settlement Commission ('ITSC') in October 2017 and deposited taxes thereon. As at 31 March 2019, the matter was pending before the Hon'ble ITSC for final determination.

Note – 54

During the year ended 31 March 2018, IBREL-IBL Scheme Trust, of which the Holding Company is the sole beneficiary, has sold 425 lakh shares of the Holding Company for ₹ 88,215.00 lakhs. Hence, the Holding Company adjusted the related investment in IBREL-IBL Scheme Trust and money received is recognised as share premium.

Note – 55

During the year ended 31 March 2018, M Holdco 1 Limited (a wholly owned subsidiary of the Holding Company) has divested its stake in certain step down subsidiaries in favour of entities BREP Asia SBS L&T Holding (NQ) Ltd, BREP VIII SBS L&T Holding (NQ) Ltd and BREP Asia SG L&T Holding (NQ) Pte Ltd, thereby indirectly divesting 50% stake in Indiabulls Properties Private Limited ('IPPL') and Indiabulls Real Estate Company Private Limited ('IRECPL') at an agreed enterprise value of ₹ 950,000.00 lakhs as taken on record by the Board of Directors. Further to the terms of transaction of the above divestiture, IPPL and IRECPL have been assessed as joint ventures in compliance with Indian Accounting Standards ('Ind AS') and accordingly, the Group has recognised gain/fair value impact on such divestiture transaction amounting to ₹ 282,477.38 lakhs in the consolidated financial statements for the year ended 31 March 2018.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019****Note - 56**

During the year ended 31 March 2018, the Holding Company has sold its entire stake in two of its wholly owned subsidiaries, namely Selene Estate Limited and Airmid Infrastructure Limited (owned residential assets in Chennai) for an aggregate consideration of ₹ 28,500.00 lakhs and accordingly, the Group has recognised gain on sale amounting to ₹ 4,678.51 lakhs in the consolidated financial statements for the year ended 31 March 2018.

Note - 57

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)
Holding Company								
Indiabulls Real Estate Limited	(68.76%)	(275,641.08)	0.67%	337.89	101.14%	(2,788.75)	(5.14%)	(2,450.86)
Indian subsidiaries								
Sylvanus Properties Limited	9.62%	38,551.22	(2.14%)	(1,080.64)	1.03%	(28.33)	(2.33%)	(1,108.97)
Lucina Land Development Limited	(5.54%)	(22,191.06)	97.44%	49,124.29	0.40%	(11.13)	103.05%	49,113.16
Athena Infrastructure Limited	4.13%	16,561.64	(2.50%)	(1,261.43)	0.29%	(8.08)	(2.66%)	(1,269.51)
Selene Constructions Limited	2.98%	11,941.97	(0.29%)	(147.01)	0.01%	(0.23)	(0.31%)	(147.24)
Indiabulls Infraestate Limited	31.93%	128,015.78	174.20%	87,824.21	0.91%	(25.00)	184.23%	87,799.21
Varali Properties Limited	0.28%	1,127.97	1.36%	685.89	0.00%	-	1.44%	685.89
Noble Realtors Limited	(0.09%)	(376.57)	(0.03%)	(16.00)	0.00%	-	(0.03%)	(16.00)
Nilgiri Infrastructure Development Limited	0.00%	0.41	(0.00%)	(0.68)	0.00%	-	(0.00%)	(0.68)
Vindhyachal Infrastructure Limited	0.26%	1,033.68	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Ceres Constructions Limited	0.09%	363.28	(0.00%)	(0.19)	0.00%	-	(0.00%)	(0.19)
Shivalik Properties Limited	0.09%	376.87	(0.00%)	(1.00)	0.00%	-	(0.00%)	(1.00)
Corus Real Estate Limited	0.18%	715.42	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Airmid Properties Limited	0.17%	670.75	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Fama Infrastructure Limited	0.04%	141.85	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Chloris Real Estate Limited	0.36%	1,456.67	(0.00%)	(0.18)	0.00%	-	(0.00%)	(0.18)
Albina Real Estate Limited	(0.06%)	(239.78)	(0.06%)	(30.56)	0.00%	-	(0.06%)	(30.56)
Devona Infrastructure Limited	0.07%	295.30	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Serida Properties Limited	(0.00%)	(0.01)	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Indiabulls Infotech Limited	(0.00%)	(4.76)	0.08%	39.03	0.00%	-	0.08%	39.03
Indiabulls Estate Limited	3.48%	13,966.68	(3.36%)	(1,696.36)	0.05%	(1.48)	(3.56%)	(1,697.84)
Indiabulls Land Holdings Limited	0.07%	297.18	(0.00%)	(0.32)	0.00%	-	(0.00%)	(0.32)
Nilgiri Land Development Limited	0.07%	264.27	(0.01%)	(4.23)	0.00%	-	(0.01%)	(4.23)
Indiabulls Commercial Estate Limited	0.11%	433.01	(0.01%)	(4.79)	0.00%	-	(0.01%)	(4.79)
Indiabulls Engineering Limited	0.10%	386.96	(0.00%)	(1.80)	0.00%	-	(0.00%)	(1.80)
Indiabulls Infrastructure Projects Limited	0.03%	106.62	(0.00%)	(0.32)	0.00%	-	(0.00%)	(0.32)
Nilgiri Lands Limited	0.11%	446.90	(0.01%)	(2.88)	0.00%	-	(0.01%)	(2.88)
Nilgiri Land Holdings Limited	0.24%	972.85	(0.01%)	(3.84)	0.00%	-	(0.01%)	(3.84)
Nilgiri Infrastructure Limited	0.07%	270.52	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Indiabulls Commercial Properties Limited	0.06%	230.75	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Airmid Developers Limited	7.02%	28,151.29	0.03%	13.57	0.00%	-	0.03%	13.57
Citra Properties Limited	3.26%	13,087.65	(3.39%)	(1,706.79)	1.06%	(29.24)	(3.64%)	(1,736.03)
Juventus Estate Limited	7.81%	31,304.04	(1.95%)	(984.49)	0.26%	(7.13)	(2.08%)	(991.62)
Selene Estate Limited	(0.21%)	(822.23)	1.74%	877.25	0.00%	-	1.84%	877.25
IB Holdings Limited	0.00%	2.89	(0.00%)	(0.30)	0.00%	-	(0.00%)	(0.30)
Platane Infrastructure Limited	(0.00%)	(0.09)	(0.00%)	(0.10)	0.00%	-	(0.00%)	(0.10)
Ashkit Constructions Limited	0.00%	5.40	(0.00%)	(0.27)	0.00%	-	(0.00%)	(0.27)
Paidia Infrastructure Limited	0.00%	4.57	(0.00%)	(0.25)	0.00%	-	(0.00%)	(0.25)
Lorita Developers Limited	0.01%	32.34	0.00%	1.66	0.00%	-	0.00%	1.66
Serida Infrastructure Limited	0.00%	0.91	(0.00%)	(0.13)	0.00%	-	(0.00%)	(0.13)
Vonnice Real Estate Limited	0.00%	0.13	(0.00%)	(0.13)	0.00%	-	(0.00%)	(0.13)
Ib Assets Limited	0.00%	0.62	(0.00%)	(0.67)	0.00%	-	(0.00%)	(0.67)
Fama Builders and Developers Limited	0.08%	303.96	(0.00%)	(1.86)	0.00%	-	(0.00%)	(1.86)
Fama Construction Limited	0.21%	825.41	(0.00%)	(1.34)	0.00%	-	(0.00%)	(1.34)
Fama Estate Limited	0.33%	1,342.06	(0.00%)	(2.41)	0.00%	-	(0.01%)	(2.41)
Fama Land Development Limited	0.14%	554.29	(0.00%)	(1.69)	0.00%	-	(0.00%)	(1.69)
Lavone Builders and Developers Limited	0.18%	709.37	(0.01%)	(3.13)	0.00%	-	(0.01%)	(3.13)
Juventus Infrastructure Limited	0.09%	343.48	(0.00%)	(0.78)	0.00%	-	(0.00%)	(0.78)
Juventus Properties Limited	0.08%	322.89	(0.00%)	(1.83)	0.00%	-	(0.00%)	(1.83)
Kailash Buildwell Limited	0.07%	291.58	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Karakoram Buildwell Limited	0.15%	598.30	(0.00%)	(0.35)	0.00%	-	(0.00%)	(0.35)
Kaltha Developers Limited	0.00%	12.77	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Amadis Land Development Limited	0.10%	401.09	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Karakoram Properties Limited	0.00%	17.69	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Aedos Real Estate Company Limited	0.06%	228.85	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Lucina Builders and Developers Limited	0.08%	324.07	(0.00%)	(2.27)	0.00%	-	(0.00%)	(2.27)
Lucina Buildwell Limited	0.42%	1,703.60	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Lucina Estate Limited	0.15%	619.15	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Lucina Properties Limited	0.07%	287.29	(0.00%)	(1.57)	0.00%	-	(0.00%)	(1.57)
Nilgiri Buildwell Limited	0.01%	38.85	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Selene Buildwell Limited	0.06%	244.23	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Selene Properties Limited	0.03%	123.04	(0.00%)	(0.19)	0.00%	-	(0.00%)	(0.19)
Galium Builders and Developers Limited	0.02%	94.28	(0.00%)	(0.12)	0.00%	-	(0.00%)	(0.12)
Triton Buildwell Limited	0.20%	788.92	(0.00%)	(0.28)	0.00%	-	(0.00%)	(0.28)
Triton Infrastructure Limited	0.14%	556.44	(0.00%)	(0.21)	0.00%	-	(0.00%)	(0.21)
Triton Land Development Limited	0.01%	56.73	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Varali Developers Limited	0.29%	1,181.35	(0.00%)	(1.09)	0.00%	-	(0.00%)	(1.09)
Vindhyachal Developers Limited	0.05%	200.98	(0.00%)	(2.14)	0.00%	-	(0.00%)	(2.14)
Vindhyachal Buildwell Limited	1.09%	4,383.50	(0.00%)	(0.92)	0.00%	-	(0.00%)	(0.92)
Zeus Builders and Developers Limited	0.02%	86.70	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Zeus Properties Limited	0.23%	933.35	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Albasta Constructions Limited	0.00%	11.54	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Angles Constructions Limited	0.00%	0.63	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Albasta Developers Limited	0.00%	2.95	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Albasta Infrastructure Limited	0.09%	379.76	0.11%	54.44	0.00%	-	0.11%	54.44
Albasta Real Estate Limited	0.05%	197.99	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Albasta Properties Limited	0.53%	2,108.25	(0.00%)	(0.22)	0.00%	-	(0.00%)	(0.22)
Albina Properties Limited	0.73%	2,922.69	(0.01%)	(6.95)	0.00%	-	(0.01%)	(6.95)
Alexander Transport Solutions Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-

Note - 57 (Cont'd)

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)
Angina Properties Limited	0.00%	11.52	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Apesh Properties Limited	0.05%	218.68	(0.00%)	(1.27)	0.00%	-	(0.00%)	(1.27)
Apesh Real Estate Limited	0.00%	0.32	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Athena Land Development Limited	0.18%	703.55	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Athena Builders and Developers Limited	0.03%	134.15	0.09%	45.97	0.00%	-	0.10%	45.97
Athena Buildwell Limited	(0.00%)	(0.19)	(0.01%)	(4.04)	0.00%	-	(0.01%)	(4.04)
Aurora Builders and Developers Limited	0.00%	4.87	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Chloris Constructions Limited	0.00%	-	(0.01%)	(5.10)	0.00%	-	(0.01%)	(5.10)
Citra Developers Limited	(0.00%)	(4.25)	(0.00%)	(0.32)	0.00%	-	(0.00%)	(0.32)
Ceres Estate Limited	0.00%	1.38	(0.00%)	(0.75)	0.00%	-	(0.00%)	(0.75)
Ceres Infrastructure Limited	0.09%	356.98	(0.00%)	(0.19)	0.00%	-	(0.00%)	(0.19)
Ceres Land Development Limited	0.12%	486.70	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Ceres Properties Limited	0.11%	435.55	(0.00%)	(1.03)	0.00%	-	(0.00%)	(1.03)
Devona Developers Limited	0.28%	1,139.11	(0.00%)	(1.01)	0.00%	-	(0.00%)	(1.01)
Diana Infrastructure Limited	0.38%	1,516.87	(0.00%)	(0.33)	0.00%	-	(0.00%)	(0.33)
Diana Land Development Limited	0.02%	64.89	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Elena Constructions Limited	0.00%	11.74	(0.00%)	(0.13)	0.00%	-	(0.00%)	(0.13)
Elena Properties Limited	0.00%	3.64	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Fornax Constructions Limited	0.18%	714.23	(0.00%)	(0.47)	0.00%	-	(0.00%)	(0.47)
Fama Properties Limited	0.07%	261.84	(0.02%)	(9.58)	0.00%	-	(0.02%)	(9.58)
Flora Land Development Limited	0.27%	1,078.23	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Fornax Real Estate Limited	0.00%	11.86	(0.03%)	(13.80)	0.00%	-	(0.03%)	(13.80)
Hermes Builders and Developers Limited	0.00%	0.49	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Hermes Properties Limited	0.03%	110.74	(0.00%)	(0.18)	0.00%	-	(0.00%)	(0.18)
Indiabulls Buildcon Limited	0.00%	0.11	(0.00%)	(0.20)	0.00%	-	(0.00%)	(0.20)
Makala Infrastructure Limited	1.79%	7,190.91	0.05%	22.90	0.00%	-	0.05%	22.90
Indiabulls Road and Infrastructure Services Limited	0.00%	-	(0.01%)	(4.52)	0.00%	-	(0.01%)	(4.52)
Indiabulls Communication Infrastructure Limited	0.00%	4.23	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Indiabulls Industrial Infrastructure Limited	(0.43%)	(1,726.91)	(1.65%)	(833.98)	0.10%	(2.87)	(1.76%)	(836.85)
Indiabulls Constructions Limited	(45.41%)	(182,031.35)	(7.93%)	(3,999.36)	3.47%	(95.70)	(8.59%)	(4,095.06)
Indiabulls Developers and Infrastructure Limited	0.00%	-	(0.01%)	(4.89)	0.00%	-	(0.01%)	(4.89)
Indiabulls Energy Limited	0.00%	-	(0.01%)	(4.83)	0.00%	-	(0.01%)	(4.83)
Serida Constructions Limited	0.00%	-	0.01%	3.48	0.00%	-	0.01%	3.48
Ashkit Real Estate Limited	(0.00%)	(0.01)	(0.01%)	(5.15)	0.00%	-	(0.01%)	(5.15)
Ashkit Properties Limited	0.00%	-	(0.13%)	(65.07)	0.00%	-	(0.14%)	(65.07)
Mabon Constructions Limited	0.00%	0.81	(0.00%)	(0.17)	0.00%	-	(0.00%)	(0.17)
Mabon Properties Limited	0.04%	154.08	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Mabon Infrastructure Limited	0.05%	218.10	0.04%	22.44	0.00%	-	0.05%	22.44
Mabon Real Estate Limited	0.00%	-	(0.01%)	(4.70)	0.00%	-	(0.01%)	(4.70)
Ashkit Developers Limited	0.00%	-	(0.01%)	(5.00)	0.00%	-	(0.01%)	(5.00)
Mabon Developers Limited	0.00%	-	(0.01%)	(4.71)	0.00%	-	(0.01%)	(4.71)
Indiabulls Malls Limited	0.00%	-	(0.01%)	(5.49)	0.00%	-	(0.01%)	(5.49)
Ivonne Developers Limited	0.00%	-	(0.01%)	(4.50)	0.00%	-	(0.01%)	(4.50)
Manjola Infrastructure Limited	0.00%	2.69	(0.01%)	(3.59)	0.00%	-	(0.01%)	(3.59)
Indiabulls Housing Developers Limited	0.00%	4.60	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Indiabulls Housing and Land Development Limited	0.00%	4.27	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Indiabulls Hotel Properties Limited	0.00%	4.31	(0.00%)	(0.19)	0.00%	-	(0.00%)	(0.19)
Lakisha Infrastructure Limited	0.00%	4.58	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Indiabulls Software Parks Limited	0.00%	4.52	(0.00%)	(0.11)	0.00%	-	(0.00%)	(0.11)
Ivonne Infrastructure Limited	0.03%	133.53	(0.01%)	(6.40)	0.00%	-	(0.01%)	(6.40)
Indiabulls Lands Limited	0.00%	0.39	(0.00%)	(0.19)	0.00%	-	(0.00%)	(0.19)
Indiabulls Multiplex Services Limited	0.00%	2.22	(0.00%)	(0.43)	0.00%	-	(0.00%)	(0.43)
Indiabulls Natural Resources Limited	0.00%	4.33	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Indiabulls Property Developers Limited	0.00%	-	(0.01%)	(4.98)	0.00%	-	(0.01%)	(4.98)
Indiabulls Projects Limited	0.02%	67.17	(0.00%)	(0.67)	0.00%	-	(0.00%)	(0.67)
Indiabulls Realty Company Limited	0.00%	15.44	0.00%	0.48	0.00%	-	0.00%	0.48
Lakisha Real Estate Limited	0.87%	3,496.72	(0.00%)	(0.68)	0.00%	-	(0.00%)	(0.68)
Manjola Real Estate Limited	0.00%	4.25	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Ivonne Real Estate Limited	0.00%	-	(0.01%)	(4.73)	0.00%	-	(0.01%)	(4.73)
Juventus Constructions Limited	0.07%	279.97	(0.00%)	(0.18)	0.00%	-	(0.00%)	(0.18)
Juventus Land Development Limited	0.08%	330.17	(0.00%)	(0.17)	0.00%	-	(0.00%)	(0.17)
Lenus Constructions Limited	0.01%	33.86	0.00%	0.39	0.00%	-	0.00%	0.39
Lucina Constructions Limited	0.00%	2.86	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Lenus Developers Limited	0.00%	-	(0.01%)	(5.02)	0.00%	-	(0.01%)	(5.02)
Lenus Infrastructure Limited	(0.00%)	(0.06)	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Lenus Properties Limited	0.00%	0.23	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Mariana Constructions Limited	0.00%	7.07	(0.00%)	(1.14)	0.00%	-	(0.00%)	(1.14)
Mariana Developers Limited	1.31%	5,268.43	(0.10%)	(49.76)	0.00%	-	(0.10%)	(49.76)
Maximus Entertainments Limited	0.00%	-	(0.01%)	(4.69)	0.00%	-	(0.01%)	(4.69)
Mariana Infrastructure Limited	1.09%	4,354.24	(0.81%)	(407.38)	0.22%	(6.11)	(0.87%)	(413.49)
Milkyway Buildcon Limited	0.00%	16.79	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Mariana Properties Limited	0.05%	190.14	0.04%	21.01	0.00%	-	0.04%	21.01
Mariana Real Estate Limited	0.00%	0.09	8.82%	4,448.54	0.00%	-	9.33%	4,448.54
Nilgiri Infraestate Limited	0.00%	5.01	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Nilgiri Infrastructure Projects Limited	0.77%	3,085.76	(0.00%)	(0.50)	0.00%	-	(0.00%)	(0.50)
Nilgiri Resources Limited	0.01%	26.64	(0.00%)	(0.26)	0.00%	-	(0.00%)	(0.26)
Selene Builders and Developers Limited	0.00%	1.38	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Sentia Constructions Limited	0.12%	477.42	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Sentia Developers Limited	0.24%	977.31	0.12%	61.92	0.00%	-	0.13%	61.92
Sepset Developers Limited	0.00%	0.60	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)

Note - 57 (Cont'd)

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)
Sentia Infrastructure Limited	1.74%	6,982.93	(1.55%)	(781.78)	0.03%	(0.75)	(1.64%)	(782.53)
Selene Infrastructure Limited	(0.01%)	(58.67)	(0.02%)	(9.99)	0.00%	-	(0.02%)	(9.99)
Selene Land Development Limited	0.15%	608.74	(0.01%)	(2.65)	0.00%	-	(0.01%)	(2.65)
Sentia Real Estate Limited	0.03%	129.56	(0.04%)	(21.69)	0.00%	-	(0.05%)	(21.69)
Sophia Constructions Limited	0.28%	1,106.24	(0.03%)	(14.58)	0.00%	-	(0.03%)	(14.58)
Sophia Real Estate Limited	3.11%	12,459.74	(0.17%)	(84.63)	0.00%	-	(0.18%)	(84.63)
Triton Estate Limited	0.00%	1.39	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Triton Properties Limited	0.09%	379.58	(0.00%)	(0.17)	0.00%	-	(0.00%)	(0.17)
Varali Constructions Limited	0.00%	0.54	(0.00%)	(0.19)	0.00%	-	(0.00%)	(0.19)
Varali Infrastructure Limited	0.74%	2,974.98	0.47%	234.65	0.00%	-	0.49%	234.65
Varali Real Estate Limited	0.00%	0.96	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Vindhyachal Land Development Limited	0.63%	2,513.74	(0.00%)	(1.20)	0.00%	-	(0.00%)	(1.20)
Zeus Estate Limited	0.00%	9.70	(0.00%)	(0.66)	0.00%	-	(0.00%)	(0.66)
Hecate Power and Land Development Limited	0.02%	76.93	(0.00%)	(0.22)	0.00%	-	(0.00%)	(0.22)
Echo Facility Services Limited	0.00%	-	(0.01%)	(5.09)	0.00%	-	(0.01%)	(5.09)
Apesh Constructions Limited	0.06%	242.04	(0.25%)	(125.91)	0.00%	-	(0.26%)	(125.91)
Linnet Infrastructure Limited	0.00%	4.50	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Linnet Constructions Limited	0.00%	4.20	(0.00%)	(0.31)	0.00%	-	(0.00%)	(0.31)
Linnet Developers Limited	0.00%	4.16	(0.00%)	(0.33)	0.00%	-	(0.00%)	(0.33)
Linnet Real Estate Limited	0.36%	1,453.70	(0.00%)	(0.31)	0.00%	-	(0.00%)	(0.31)
Linnet Properties Limited	0.34%	1,378.10	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Edesia Constructions Limited	0.00%	4.63	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Edesia Developers Limited	0.00%	4.66	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Edesia Infrastructure Limited	0.00%	4.66	(0.00%)	(0.17)	0.00%	-	(0.00%)	(0.17)
Edesia Properties Limited	0.00%	-	(0.01%)	(4.76)	0.00%	-	(0.01%)	(4.76)
Indiabulls Commercial Assets Limited	0.00%	7.18	(0.01%)	(5.18)	0.00%	-	(0.01%)	(5.18)
Indiabulls Housing and Constructions Limited	0.00%	4.37	(0.00%)	(0.26)	0.00%	-	(0.00%)	(0.26)
Indiabulls Real Estate Developers Limited	0.00%	4.35	(0.00%)	(0.09)	0.00%	-	(0.00%)	(0.09)
Indiabulls Infrabuild Limited	0.00%	-	(0.01%)	(4.62)	0.00%	-	(0.01%)	(4.62)
Indiabulls Real Estate Builders Limited	0.00%	4.34	(0.00%)	(0.09)	0.00%	-	(0.00%)	(0.09)
Parmida Constructions Limited	0.00%	6.20	0.00%	0.29	0.00%	-	0.00%	0.29
Parmida Developers Limited	(0.00%)	(0.02)	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Lorena Builders Limited	0.00%	4.22	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Parmida Properties Limited	0.39%	1,574.33	(0.00%)	(0.18)	0.00%	-	(0.00%)	(0.18)
Parmida Real Estate Limited	0.00%	-	(0.01%)	(2.62)	0.00%	-	(0.01%)	(2.62)
Nerissa Infrastructure Limited	0.22%	879.37	0.04%	18.10	0.00%	-	0.04%	18.10
Devona Properties Limited	0.11%	457.96	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Lorena Constructions Limited	0.20%	809.75	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Lorena Developers Limited	0.17%	663.71	(0.00%)	(0.24)	0.00%	-	(0.00%)	(0.24)
Lorena Infrastructure Limited	0.16%	643.20	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Lorena Real Estate Limited	0.20%	805.89	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Majesta Builders Limited	0.21%	834.13	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Majesta Constructions Limited	0.21%	828.88	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Majesta Developers Limited	0.07%	262.50	(0.00%)	(0.26)	0.00%	-	(0.00%)	(0.26)
Majesta Infrastructure Limited	0.21%	837.48	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Majesta Properties Limited	0.17%	665.77	(0.00%)	(1.50)	0.00%	-	(0.00%)	(1.50)
Nerissa Constructions Limited	0.19%	755.12	(0.00%)	(0.23)	0.00%	-	(0.00%)	(0.23)
Nerissa Developers Limited	0.05%	186.82	(0.00%)	(0.14)	0.00%	-	(0.00%)	(0.14)
Nerissa Properties Limited	0.03%	125.09	(0.00%)	(0.15)	0.00%	-	(0.00%)	(0.15)
Nerissa Real Estate Limited	0.11%	423.30	(0.00%)	(0.99)	0.00%	-	(0.00%)	(0.99)
Tapir Land Development Limited	0.00%	0.33	(0.13%)	(66.57)	0.00%	-	(0.14%)	(66.57)
Tapir Realty Developers Limited	(0.00%)	(0.01)	(0.01%)	(4.88)	0.00%	-	(0.01%)	(4.88)
Serpentes Buildwell Limited	0.00%	5.02	(0.00%)	(0.07)	0.00%	-	(0.00%)	(0.07)
Serpentes Builders and Developers Limited	0.00%	-	(0.01%)	(4.98)	0.00%	-	(0.01%)	(4.98)
Cobitis Real Estate Limited	8.90%	35,700.05	(0.00%)	(0.34)	0.00%	-	(0.00%)	(0.34)
Loon Infrastructure Limited	0.00%	4.88	(0.00%)	(0.10)	0.00%	-	(0.00%)	(0.10)
Serpentes Constructions Limited	0.00%	0.83	(0.00%)	(0.01)	0.00%	-	(0.00%)	(0.01)
Loon Land Development Limited	16.79%	67,294.09	0.06%	29.23	0.00%	-	0.06%	29.23
Tapir Constructions Limited	6.17%	24,716.28	(1.05%)	(528.65)	0.00%	-	(1.11%)	(528.65)
Cobitis Buildwell Limited	0.01%	30.34	0.00%	2.25	0.00%	-	0.00%	2.25
Iwalaji Buildtech Limited	0.00%	-	(0.01%)	(5.58)	0.00%	-	(0.01%)	(5.58)
Yashita Buildcon Limited	(0.00%)	(14.34)	(0.05%)	(25.03)	0.00%	-	(0.05%)	(25.03)
Catherine Builders and Developers Limited	(0.00%)	(4.93)	(0.00%)	(0.16)	0.00%	-	(0.00%)	(0.16)
Kenneth Builders and Developers Limited	0.80%	3,188.62	(0.00%)	(2.42)	0.00%	-	(0.01%)	(2.42)
Bridget Builders and Developers Limited	0.00%	9.38	(0.00%)	(0.57)	0.00%	-	(0.00%)	(0.57)
Zeus Buildwell Limited	0.00%	9.99	(0.00%)	(0.24)	0.00%	-	(0.00%)	(0.24)
Airmid Real Estate Limited	(0.24%)	(977.28)	(1.52%)	(764.62)	0.38%	(10.61)	(1.63%)	(775.23)
Sepset Real Estate Limited	3.76%	15,087.38	(0.29%)	(148.19)	0.04%	(1.13)	(0.31%)	(149.32)

Note - 57 (Cont'd)

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)
Foreign subsidiaries								-
Foundvest Limited	0.00%	1.29	(0.47%)	(236.19)	(9.29%)	256.26	0.04%	20.07
Arianca Limited	0.00%	0.42	(0.01%)	(3.28)	1.69%	(46.58)	(0.10%)	(49.86)
Indiabulls Properties Management Trustee Pte. Ltd.	(0.06%)	(224.51)	(1.74%)	(879.67)	(37.61%)	1,037.12	0.33%	157.45
Shoxell Holdings Limited	(0.00%)	(1.94)	(0.01%)	(6.02)	(19.26%)	531.01	1.10%	524.99
Grapene Limited	0.00%	17.22	(0.02%)	(10.83)	108.18%	(2,982.72)	(6.28%)	(2,993.55)
Dev Property Development Limited	0.00%	3.56	(0.03%)	(15.74)	(21.78%)	600.57	1.23%	584.83
Ariston Investment Limited	0.01%	49.79	(0.03%)	(15.24)	(309.98%)	8,546.95	17.90%	8,531.71
Ariston Investments Sub C Limited	0.12%	478.01	(0.04%)	(17.82)	20.93%	(577.22)	(1.25%)	(595.04)
Grand Limited	0.01%	20.87	(0.00%)	(1.94)	0.00%	(0.03)	(0.00%)	(1.97)
Century Limited	12.33%	49,436.58	(93.72%)	(47,246.77)	(181.39%)	5,001.34	(88.64%)	(42,245.43)
Nesoi Limited	0.76%	3,027.44	31.96%	16,111.61	358.28%	(9,878.70)	13.08%	6,232.91
Titan Limited	(11.60%)	(46,514.13)	(2.71%)	(1,365.99)	51.04%	(1,407.21)	(5.82%)	(2,773.20)
Rhea Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Eros Limited	29.11%	116,683.96	(83.18%)	(41,934.94)	58.80%	(1,621.37)	(91.39%)	(43,556.31)
M Holdco 1 Limited	33.86%	135,749.34	0.66%	332.37	(618.03%)	17,040.88	36.45%	17,373.25
M Holdco 2 Limited	(0.00%)	(2.12)	(0.01%)	(7.17)	0.16%	(4.40)	(0.02%)	(11.57)
M Holdco 3 Limited	(0.00%)	(2.05)	(0.01%)	(7.33)	11.10%	(306.09)	(0.66%)	(313.42)
Navilith Holdings Limited	22.24%	89,141.48	(0.02%)	(11.03)	(0.05%)	1.33	(0.02%)	(9.70)
Indiabulls Properties Investment Trust	0.03%	120.21	0.00%	-	0.28%	(7.80)	(0.02%)	(7.80)
IPMT Limited	0.17%	672.20	(6.81%)	(3,435.71)	(35.24%)	971.74	(5.17%)	(2,463.97)
Brenformexa Limited	0.01%	40.17	(0.01%)	(6.45)	597.86%	(16,484.62)	(34.60%)	(16,491.07)
Non-controlling interest in all subsidiaries	0.27%	1,062.70	(0.03%)	(16.95)	0.00%	-	(0.04%)	(16.95)
Joint venture investment as per equity method	0.00%	-	0.79%	399.11	14.91%	(411.20)	(0.00)	(12.09)
Total	100.00%	400,902.71	100.00%	50,414.57	100.00%	(2,757.28)	100.00%	47,657.29

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Note - 58

Segment reporting

(i) General information

An operating segment is a component of a Group that engages in business activities from which it earns revenue and incurs expenses and for which separate financial information is available. The Group has two operating and reportable segments which are Group's strategic business units. These operating segments are monitored by Chief Operating decision maker to assess performance and evaluate strategic decisions.

Real estate sector

The Group has prime focus on construction and development of residential, commercial and SEZ projects across major Indian cities and United Kingdom.

Rental sector

The Group has rental structure on which the Group has locked in rental for future years. In last two years, the Group has divested its stake in the entities owing rental assets and these entities are now joint ventures of the Group.

(ii) Segment information

Year ended 31 March 2019

(' in lakhs)

Particulars	Real estate	Rental	Total of segments	Adjustments and eliminations	Consolidated
Revenue					
External customers	492,401.95	1,986.94	494,388.89	-	494,388.89
Inter - segment	-	-	-	-	-
Total revenue	492,401.95	1,986.94	494,388.89	-	494,388.89
Segment expenses	421,989.56	2,476.91	424,466.47	-	424,466.47
Segment profit	70,412.39	(489.97)	69,922.42	-	69,922.42
Segment assets	1,439,814.49	13,657.77	1,453,472.26	-	1,453,472.26
Segment liabilities	1,202,249.84	9,523.50	1,211,773.34	-	1,211,773.34

Year ended 31 March 2018

(' in lakhs)

Particulars	Real estate (Restated)	Rental*	Total of segments (Restated)	Adjustments and eliminations (Restated)	Consolidated (Restated)
Revenue					
External customers	105,611.36	344,655.16	450,266.52	-	450,266.52
Inter - segment	2,165.97	1,444.94	3,610.91	(3,610.91)	-
Total revenue	107,777.33	346,100.10	453,877.43	(3,610.91)	450,266.52
Segment expenses	132,940.44	42,182.75	175,123.19	(3,610.91)	171,512.28
Segment profit	(25,163.11)	303,917.35	278,754.24	-	278,754.24
Segment assets	1,682,095.07	138,214.98	1,820,310.05	-	1,820,310.05
Segment liabilities	1,537,042.34	54,193.50	1,591,235.84	-	1,591,235.84

*Rental revenue from external customer also include gain on dilution of stake and fair valuation impact of remaining stake.

Reconciliations to amounts reflected in the financial statements

(' in lakhs)

	31 March 2019	31 March 2018 (Restated)
(i) Reconciliation of profit		
Segment profit	69,922.42	278,754.24
Unallocated income	27,904.32	22,917.55
Unallocated expense	(13,848.42)	(31,748.15)
Income-tax expense	(33,945.91)	(33,483.23)
Share of profit/ (loss) of joint venture	399.11	(484.30)
Profit after tax	50,431.52	235,956.11

(' in lakhs)

	31 March 2019	31 March 2018 (Restated)
(ii) Reconciliation of assets		
Segment operating assets	1,453,472.26	1,820,310.05
Other unallocable assets	165,709.14	187,683.87
	1,619,181.40	2,007,993.92

(' in lakhs)

	31 March 2019	31 March 2018 (Restated)
(iii) Reconciliation of liabilities		
Segment operating liabilities	1,211,773.34	1,591,235.84
Other unallocable liabilities	6,505.35	16,381.90
	1,218,278.69	1,607,617.74

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Note – 59

During the year ended 31 March 2019, the Group has divested 50% stake in two of its wholly owned subsidiaries namely Ashkit Properties Limited and Yashita Buildcon Limited (including Concepts International India LLP, a wholly owned subsidiary of Yashita Buildcon Limited), which was acquired during the year) which are owing office in Udyog Vihar, Gurugram (aggregating 784,000 square feet leasable office space) at an aggregate enterprise value of approximately ₹ 46,400.00 lakhs to the entities controlled by The Blackstone Group LP. With this, these wholly owned subsidiaries have become joint ventures and accordingly, the Group has recognised profit on sale of investment/fair value impact of existing stake amounting to ₹ 13,390.02 lakhs in these consolidated financial statements.

Note – 60

During the year ended 31 March 2019, the Holding Company has executed definitive transactions document to divest its 100% stake in tranches in one of its subsidiary Indiabulls Infrastructure Limited ("IIL") whose wholly owned subsidiary India Land and Properties Limited ("IPL") holds commercial asset at Chennai. As part of the said transaction, the Holding Company has divested partial stake by way of sale and buyback, thereby reducing Holding Company's stake in IIL by 30.59%. The remaining stake has been classified under the head "Assets held for sale". To facilitate the agreed divestment of Chennai Assets, the Board of the Company had approved a composite scheme of arrangement amongst the Company, IIL and IPL ("Scheme") and post receipt of regulatory clearances from SEBI and Stock Exchanges filed the same with the jurisdictional National Company Law Tribunal. As part of the said transaction, the Holding Company has divested partial stake by way of sale and buyback, thereby reducing Company's stake in IIL by 30.59 %. Accordingly, IIL has not been consolidated and the Holding Company has recognised gain/fair value impact on such divestiture transaction amounting to ₹ 1,414.67 lakhs.

Note – 61

Acquisitions of business during the year ended 31 March 2019

The Group had acquired 100% equity stake (with voting interests) of Concept International India LLP (acquisition date 3 October 2018), Indian Limited Liability Partnership into real estate development and rental business. The acquisition was made to enhance the Group's rental assets in Northern Region of the India. Concept International India LLP mainly had assets pertaining to land and building with respect to its rental assets, for which consideration was paid. Further the Group diluted its stake in Yashita Buildcon Limited and Concept International India LLP on 27 December 2018 (refer note 59 above).

Goodwill

The goodwill does not arise on account of mentioned acquisitions. The entire surplus in purchase consideration is absorbed by the related assets and liabilities acquired.

Contribution to the group

Concept International India LLP has contributed ₹ Nil of revenue and ₹ Nil to profit before tax since 3 October 2018 to 27 December 2018. Had the acquisition taken place at the beginning of year i.e. 01 April 2018, the Group's revenue for the year ended 31 March 2019 would have been ₹ 522,293.37 lakhs and the profit before tax would have been ₹ 83,978.48 lakhs.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019****Note – 62**

Previous year figures have been regrouped/reclassified, where necessary, to confirm to this year's classification, as below -
(₹ in lakhs)

Balance sheet	31 March 2018 (Reported)	Adjustments	31 March 2018 (Reclassified)
Liabilities			
Borrowings	303,307.28	(3,309.54)	299,997.74
Other financial liabilities – current	301,419.75	3,309.54	304,729.29

Note – 63

During the year ended 31 March 2019, Century Limited has redeemed on 30 April 2018 (the 'Redemption Date'), all of the outstanding US\$175,000,000 10.25% Senior Notes due 2019 ('Securities'), which were issued by Century Limited under an indenture dated 12 November 2014 and guaranteed by the Holding Company along with its certain subsidiaries. These Securities have been redeemed at redemption price i.e. amount equal to 105.125% of US\$175,000,000. Upon redemption of the Securities, the Securities were cancelled and delisted from the SGX-ST.

Note – 64

During the year ended 31 March 2019, Indiabulls Infraestate Limited, a wholly owned subsidiary of the Holding Company, has executed a non-binding term sheet with Oricon Enterprises Limited ('OEL') for execution of definitive agreements for joint development of a commercial building at OEL's land parcel admeasuring approximately 3,512 square meters plot situated at Dr. E. Moses Road, Worli, Mumbai – 400018. Upon execution of the definitive agreements, Indiabulls Infraestate Limited received exclusive ownership rights of approx. 2.55 lakhs square feet of leasable area.

Note - 65**A. Risk management strategy**

The Group has entered into certain forward contracts to hedge its net assets in foreign currency. The risk being hedged is the risk of potential gain/loss due to fluctuation in foreign currency rates. The use of forward contracts is covered by the Group's overall risk strategy. As per the hedging policy of the Group, hedge effectiveness is determined at the inception of hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

B. Other hedge related disclosures

(i) The maturity profile of hedging instrument is as follows:

(₹ in lakhs)

Particulars*	Hedge effectiveness	Maturity date	Weighted average rate (range)
31 March 2019	Effective	24 January 2022 to 04 April 2022	103.80 to 110.17

(ii) Disclosure of effects of hedge accounting on financial performance:

(₹ in lakhs)

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Particulars*	Nominal value	Carrying amount of hedging instrument	Hedge related gains/(losses) recognised in OCI	Amount charged to statement of profit and loss	Line item of statement of profit and loss where the impact is included
31 March 2019					
Net investment hedge	99,908.00	3,242.41	2,577.99	664.43	Amortisation of derivative balance (difference between forward and spot element)

** The Company has entered into forward contracts during the year and hence, the comparative disclosures are not presented.*

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019****Note – 66**

During the year ended 31 March 2019, a wholly owned subsidiary of the Group, Loon Development Limited, has entered into definitive agreement(s) to acquire a land parcel/development rights of approximately 140 acres of land, situated at Sector 79, Manesar, Gurugram, for development of integrated township and commercial building.

Note – 67

During the year ended 31 March 2019, the Holding Company has exercised its option to redeem its investments made in redeemable preference shares which were measured at amortised cost. The Company has de-recognised these during the year and related gain amounting to ₹ 18,713.45 lakhs is recognised in statement of profit and loss.

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2019

Note – 68

Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Group has not provided for any liability on account of this.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of board of directors

Neeraj Sharma

Partner

Membership No. 502103

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Vishal Gaurishankar Damani

Joint Managing Director

[DIN: 00358082]

Place: Gurugram

Date: 23 April 2019

Anil Mittal

Chief Financial Officer

Ravi Telkar

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Real Estate Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Indiabulls Real Estate Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of investments and loans made to its subsidiaries The Company's policies on the impairment assessment of the investments and loans are set out in Note 4.13 to the Standalone Financial Statements. The Company has investments amounting to ₹ 367,438.10 lakhs (net of impairment) and has outstanding loans amounting to ₹ 282,878.39 lakhs (net of impairment) to its subsidiaries as at 31 March 2021 as disclosed under the Note 8A and 9B to the standalone financial statements. Impairment assessment of these investments and loans is considered as a significant risk as there is a risk that recoverability of the investments and loans could not be established, and potential impairment charge might be required to be recorded in the standalone financial statements. The recoverability of these investments is inherently subjective due to reliance on either the net worth of investee or valuations of the properties held or cash flow projections of real estate properties in these investee companies. However, due to their materiality in the context of the Company's standalone financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	Our procedures in relation to the impairment assessment of investments and loans included, but not limited to the following: - Assessed the appropriateness of the Company's accounting policy by comparing with applicable Ind AS; - We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing; - Enquired of the management and understood the internal controls related to completeness of the list of loans and investment along with the process followed to recover/adjust these and assessed whether further provisioning is required; - Performed test of details: a. For all significant additions made during the year, underlying supporting documents were verified to ensure that the transaction has been accurately recorded in the standalone financial statement; b. For all significant investments and loans outstanding as at 31 March 2021, confirmations were circulated and received. Further, all the significant reconciling items were tested; c. All material investments and significant loans as at 31 March 2021 were discussed on case to case basis with the management for their plan of recovery/adjustment; d. Compared the carrying value of material investments and significant loans to the net assets of the underlying entity, to identify whether the net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount; and e. Wherever the net assets were lower than the recoverable amount, for material amounts:

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

Key audit matter	How our audit addressed the key audit matter
	i. We obtained and verified the management certified cash flow projections of real estate properties and tested the underlying assumptions used by the management in arriving at those projections; ii. We challenged the managements on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; iii. We obtained and verified the valuation of land parcels as per the government prescribed circle rates; and iv. We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Management's Responsibility for the Standalone Financial Statements

The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, bases on our audit, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors as on 31 March 2021, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in Note 41(A) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
- h) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company did not pay any remuneration to its Directors during the year.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964

UDIN: 21084964AAAAAN6898

Place: New Delhi
Date: 23 April 2021

Annexure A to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2021, based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and intangible assets.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The lease deeds of all the immovable properties (which are included under the head 'right of use assets') are held in the name of the Company. The Company does not hold any immovable property (in the nature of 'property, plant and equipment').
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has granted interest free as well as interest bearing unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
 - (b) the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount and the interest are regular, except for the loans given to the companies which are interest free; and
 - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

Annexure A to the Independent Auditor's Report

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and goods and services tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Disallowance under section 14A	146.26	-	Assessment Year 2009-10	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	161.88	-	Assessment Year 2010-11	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	213.05	-	Assessment Year 2011-12	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	38.43	-	Assessment Year 2013-14	Income Tax Appellate Tribunal
The Finance Act, 2004 and Service tax rules	Denial of service tax input credit	1,695.25	-	Assessment year 2011-12 to 2014-15	Assistant Commissioner of Service Tax
The Finance Act, 2004 and Service tax rules	Denial of service tax input credit	1,019.00	-	Assessment year 2016-17 to June 2017	Deputy Commissioner of Service Tax

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or any dues to debenture holders during the year. The Company did not have any loans or borrowings payable to financial institution or government during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, The Company has applied moneys raised by way of the term loans for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

Annexure A to the Independent Auditor's Report

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) As detailed in Note 52 to the financial statements, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964
UDIN: 21084964AAAAAN6898

Place: New Delhi
Date: 23 April 2021

Annexure B to the Independent Auditor's Report

With reference to the Annexure B referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2021 of even date.

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to standalone financial statements of Indiabulls Real Estate Limited ('the Company') as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to these standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted

Annexure B to the Independent Auditor's Report

accounting principles. A company's internal financial controls with reference to these standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964

UDIN: 21084964AAAAAN6898

Place: New Delhi
Date: 23 April 2021

Indiabulls Real Estate Limited
Balance sheet as at

	Note	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
I ASSETS			
Non-current assets			
Property, plant and equipment	5	116.36	164.06
Right of use assets	6	23.03	1,849.40
Intangible assets	7	-	-
Financial assets			
Investments	8 A	379,306.46	383,804.89
Loans	9 A	1.87	1,129.22
Other financial assets	10 A	603.45	5,048.00
Deferred tax assets (net)	11	275.67	308.69
Non-current tax assets (net)	12	6,004.78	11,322.85
Other non-current assets	13 A	-	1.91
		386,331.62	403,629.02
Current assets			
Inventories	14	90.19	90.19
Financial assets			
Investments	8 B	-	1.12
Trade receivables	15	-	-
Cash and cash equivalents	16	645.70	1,480.71
Other bank balances	17	5,402.91	24,147.88
Loans	9 B	283,326.04	445,530.84
Other financial assets	10 B	1.50	1.01
Other current assets	13 B	1,476.42	1,313.68
Assets classified held for sale	18	9,003.87	9,003.87
		299,946.63	481,569.30
		686,278.25	885,198.32
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	19 A	9,030.77	9,093.28
Other equity	20	623,169.54	635,843.50
		632,200.31	644,936.78
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21 A	22,359.32	46,201.50
Lease liabilities	22 A	-	859.88
Provisions	23 A	44.00	24.00
		22,403.32	47,085.38
Current liabilities			
Financial liabilities			
Borrowings	21 B	17,907.45	11,973.45
Lease liabilities	22 B	10.19	769.71
Other financial liabilities	24	13,746.77	179,780.57
Other current liabilities	25	9.21	202.94
Provisions	23 B	1.00	2.64
Current tax liabilities (net)	26	-	446.85
		31,674.62	193,176.16
		686,278.25	885,198.32
Summary of significant accounting policies	4		
The accompanying notes are an integral part of the standalone financial statements			

This is the standalone balance sheet referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.: 005975N

For and on behalf of the board of directors

Prakash Agarwal
Partner
Membership No. 084964

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Mehul Johnson
Joint Managing Director
[DIN: 00016075]

Place: New Delhi
Date: 23 April 2021

Place: New Delhi
Date: 23 April 2021

Place: Mumbai
Date: 23 April 2021

Anil Mittal
Chief Financial Officer

Ravi Telkar
Company Secretary

Place: Gurugram
Date: 23 April 2021

Place: Mumbai
Date: 23 April 2021

Indiabulls Real Estate Limited
Statement of profit and loss for the year ended

	Note	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Revenue			
Revenue from operations	27	596.41	36,284.73
Other income	28	4,121.99	27,216.87
		4,718.40	63,501.60
Expenses			
Cost of revenue	29	-	7,042.57
Employee benefits expense	30	244.65	208.30
Finance costs	31	16,005.89	30,160.25
Depreciation and amortisation expense	32	388.43	960.76
Impairment losses on financial assets	33 A	-	14,952.41
Other expenses	33 B	2,005.87	15,230.54
		18,644.84	68,554.83
Loss before tax		(13,926.44)	(5,053.23)
Tax expenses	34		
Current tax reversal - earlier years		-	(44.02)
Deferred tax charge		36.14	3,526.41
		36.14	3,482.39
Loss after tax		(13,962.58)	(8,535.62)
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Equity instruments through other comprehensive income		2,628.60	(2,957.18)
Re-measurement of defined benefit plans		(12.39)	13.83
Income tax effect		3.12	(3.48)
Other comprehensive income		2,619.33	(2,946.83)
Total comprehensive income for the year		(11,343.25)	(11,482.45)
Earnings per equity share of (face value ₹ 2 each)	35		
Basic (₹)		(3.09)	(1.88)
Diluted (₹)		(3.09)	(1.88)

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements

This is the standalone statement of profit and loss referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.: 005975N

For and on behalf of the board of directors

Prakash Agarwal
Partner
Membership No. 084964

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Mehul Johnson
Joint Managing Director
[DIN: 00016075]

Place: New Delhi
Date: 23 April 2021

Place: New Delhi
Date: 23 April 2021

Place: Mumbai
Date: 23 April 2021

Anil Mittal
Chief Financial Officer
Place: Gurugram
Date: 23 April 2021

Ravi Telkar
Company Secretary
Place: Mumbai
Date: 23 April 2021

Indiabulls Real Estate Limited
Cash flow statement for the year ended

	31 March 2021	31 March 2020
	(₹ in lakhs)	(₹ in lakhs)
A Cash flow from operating activities:		
Loss before tax	(13,926.44)	(5,053.23)
<i>Adjustments for:</i>		
Interest expense on income tax	0.41	1.16
Interest expense on borrowings	15,927.25	29,820.06
Depreciation and amortisation expenses	388.43	960.76
Interest on lease liabilities	56.48	217.03
Other borrowing costs	21.59	122.00
Profit on sale of property, plants and equipment (net)	-	(0.77)
Loss on Property, plant and equipment written off	0.49	-
Excess provision/liabilities written back	(1,733.88)	(294.63)
Loans and non current investment written off	-	10,131.36
Impairment in value of investments	115.00	849.03
Impairment in value of other financial and non-financial assets	-	5,696.05
Interest on income tax refund	(402.20)	-
Interest income	(1,630.05)	(26,159.11)
Provision for employee benefits	12.87	1.79
Share based payment expense	16.60	54.08
Balances Written Off	3.00	-
Income on fair valuation of financial assets	-	(0.08)
Mark to market loss/(gain) on forward contracts	-	2,423.31
Profit on sale of investments in subsidiary	(596.41)	-
(Profit)/loss on sale of investments (net)	(168.79)	7,468.27
Modification gain on de-recognition of lease contracts	(172.14)	(13.73)
Net gain on settlement through merger scheme and fair value impact of assets held for sale	-	(21,406.90)
Operating (loss)/profit before working capital changes and other adjustments:	(2,087.79)	4,816.45
<i>Working capital changes and other adjustments:</i>		
Inventories	-	7,042.57
Trade receivables	-	589.36
Current and non-current loans	1,127.35	16.67
Others current and non-current assets	(160.83)	567.61
Other current and non-current financial assets	25.38	820.12
Other current financial liabilities	(5,710.50)	1,699.36
Other current liabilities	(192.95)	(6,574.25)
Cash flow(used in)/from operating activities	(6,999.34)	8,977.89
Income taxes refund (net)	5,719.86	2,160.12
Net cash (used in)/from operating activities	(1,279.48)	11,138.01
B Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(1.09)	(9.13)
Proceeds from sale of property, plant and equipment	-	1.24
Movement in fixed deposits (net)	22,864.16	(14,547.30)
Proceeds from sale of investments - mutual funds (net)	169.91	668.58
Investment in subsidiary companies		
Purchase of investments - equity shares	-	(42,500.00)
Purchase of investments - preference shares	-	(1,891.00)
Purchase of investments - others	-	(0.10)
Sale of investment in subsidiary companies		
Proceeds from sale and buyback of investments - equity shares	7,591.76	248,759.09
Proceeds from sale of investments in joint ventures companies and others - equity shares	-	19,500.64
Proceeds from sale of investments - debentures	-	45,815.06
Proceeds from redemption of investments - preference shares and debentures	-	0.01
Inter-corporate loans and advances received back/(given to) subsidiary companies (net)	161,309.21	(98,230.00)
Inter-corporate loans and advances received back/(given to) joint ventures (net)	-	8,370.59
Inter-corporate loans and received back/(given to) others (net)	802.00	(1,081.23)
Interest received	1,835.10	24,868.07
Net cash generated from investing activities	194,571.05	189,724.52

Indiabulls Real Estate Limited
Cash flow statement for the year ended

	31 March 2021	31 March 2020
	(₹ in lakhs)	(₹ in lakhs)
C Cash flow from financing activities: (refer note 45)		
Proceeds from issue of equity share capital (including securities premium)	-	2,171.05
Acquisition of treasury shares	(1,393.22)	-
Proceeds from borrowings from banks	-	10,114.00
Repayment of borrowings to banks	(118,800.00)	(14,108.37)
Proceeds from issue of debentures	5,000.00	-
Redemption of debentures	(64,000.00)	(76,000.00)
Proceeds from issue of commercial paper	8,000.00	101,500.00
Repayment of commercial paper	(8,000.00)	(198,000.00)
Inter-corporate borrowings taken	266,759.05	213,693.00
Inter-corporate borrowings repaid	(265,825.05)	(212,049.00)
Interest paid on borrowings	(15,558.84)	(28,415.81)
Payment of lease liabilities {inclusive of interest paid amounting to ₹ 56.48 lakhs (31 March 2020 ₹ 217.03 lakhs)}	(286.93)	(813.43)
Other borrowing costs	(21.59)	(121.99)
Net cash (used in)/flow from financing activities	(194,126.58)	(202,030.55)
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	(835.01)	(1,168.02)
E Cash and cash equivalents at the beginning of the year (refer note a below)	1,480.71	2,648.73
F Cash and cash equivalents at the end of the year (D+E)	645.70	1,480.71

Note:

a) Cash and cash equivalents includes :(refer note 16)

Cash on hand	-	0.09
Balances with banks		
In current accounts	645.70	1,480.62
	645.70	1,480.71

This is the standalone cash flow statement referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.: 005975N

For and on behalf of board of directors

Prakash Agarwal
Partner
Membership No. 084964

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Mehul Johnson
Joint Managing Director
[DIN: 00016075]

Place: New Delhi
Date: 23 April 2021

Place: New Delhi
Date: 23 April 2021

Place: Mumbai
Date: 23 April 2021

Anil Mittal
Chief Financial Officer
Place: Gurugram
Date: 23 April 2021

Ravi Telkar
Company Secretary
Place: Mumbai
Date: 23 April 2021

Indiabulls Real Estate Limited
Statement of changes in equity for the year ended 31 March 2021

A Equity share capital*

(₹ in lakhs)

Particulars	Balance as at 1 April 2019	Issue of equity share capital during the year	Balance as at 31 March 2020	Issue of equity share capital during the year	Investment in Treasury Shares (Own Shares)	Balance as at 31 March 2021
Equity share capital	9,013.61	79.67	9,093.28	-	(62.51)	9,030.77

B Other equity**

(₹ in lakhs)

Description	Reserves and surplus							Other comprehensive income	Total
	General reserve	Capital reserve	Debenture redemption reserve	Capital redemption reserve	Share options outstanding account	Securities premium	Retained earnings	Fair valuation of equity instruments	
Balance as at 1 April 2019	51,265.03	27,720.50	27,062.50	2,200.92	1,951.67	534,779.82	767.75	(585.65)	645,162.54
Loss for the year	-	-	-	-	-	-	(8,535.62)	-	(8,535.62)
Other comprehensive income									
Re-measurement of defined benefit plans (net of tax)	-	-	-	-	-	-	10.35	-	10.35
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	(2,957.18)	(2,957.18)
Share based options for employees of subsidiaries	-	-	-	-	17.93	-	-	-	17.93
Issue of equity shares (including exercise of stock options)	-	-	-	-	(1,366.37)	3,457.75	-	-	2,091.38
Share based payment expense	-	-	-	-	54.10	-	-	-	54.10
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(19.33)	-	19.33	-	-
Balance as at 31 March 2020	51,265.03	27,720.50	27,062.50	2,200.92	638.00	538,237.57	(7,738.19)	(3,542.83)	635,843.50
Loss for the year	-	-	-	-	-	-	(13,962.58)	-	(13,962.58)
Other comprehensive income									
Re-measurement of defined benefit plans (net of tax)	-	-	-	-	-	-	(9.27)	-	(9.27)
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	2,628.60	2,628.60
Investment in Treasury Shares (Own Shares)	-	-	-	-	-	(1,330.71)	-	-	(1,330.71)
Share based options for employees of subsidiaries	-	-	-	-	(16.60)	-	-	-	(16.60)
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(73.26)	-	73.26	-	-
Share based payment expense	-	-	-	-	16.60	-	-	-	16.60
Balance as at 31 March 2021	51,265.03	27,720.50	27,062.50	2,200.92	564.74	536,906.86	(21,636.78)	(914.23)	623,169.54

*Refer note 19.A for details

**Refer note 20 for details

This is the standalone statement of changes in equity referred to in our report of even date.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

For and on behalf of the board of directors

Prakash Agarwal

Partner

Membership No. 084964

Place: New Delhi

Date: 23 April 2021

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Place: New Delhi

Date: 23 April 2021

Mehul Johnson

Joint Managing Director

[DIN: 00016075]

Place: Mumbai

Date: 23 April 2021

Anil Mittal

Chief Financial Officer

Place: Gurugram

Date: 23 April 2021

Ravi Telkar

Company Secretary

Place: Mumbai

Date: 23 April 2021

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

1. Company information and nature of principal activities

Indiabulls Real Estate Limited (‘the Company’) was incorporated on 04 April 2006 with the main objects of carrying on the business of real estate properties advisory, properties marketing, maintenance of completed properties, engineering, industrial and technical consultancy, construction and development of real estate properties and other related and ancillary activities. The Company is domiciled in India.

During the year, the Company has shifted its registered office from M-62&63, First Floor, Connaught Place, New Delhi 110 001, to Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram - 122016, Haryana.

2. General information and statement of compliance with Ind AS

These standalone financial statements (‘financial statements’) of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (‘MCA’)), as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 23 April 2021. The revisions to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

Recent accounting pronouncement

MCA vide notification dated 24 March 2021, makes certain amendments related to disclosure requirements in Schedule III of the Companies Act, 2013 which will be effective for financial year starting 1 April 2021.

3. Basis of accounting

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

4.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

4.2 Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

4.3 Intangible assets

Recognition and initial measurement

Intangible assets (software's) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period in the four years from the date of its acquisition.

De-recognition

Intangible assets are de-recognised upon disposal or when no further economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is de-recognised.

4.4 Asset classified as held for sale

Non-current assets are classified as held for sale if their sale is considered highly probable. They are measured at fair value less cost to sell.

4.5 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4.6 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Revenue from real estate properties advisory and management services

Income arising from real estate properties advisory services is recognised in the period in which the services are being rendered. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying business

Profit on sale of investments of entities in the real estate business is recognised when such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business. However, in case of loss on sale of such investments, the same is recognised as part of other expense.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Gain on amortised cost financial assets

Gain on de-recognition of amortised cost financial assets is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

4.7 Borrowing costs

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale.

If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

4.8 Right of use assets and lease liabilities

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

4.9 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

4.10 Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss when they arise.

4.11 Investments

Investment in equity instruments of subsidiaries and joint ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4.12 Financial instruments

Non-derivative financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

- i. **Debt instruments at amortised cost** – A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Equity investments** – All equity investments in scope of ‘Ind AS 109 Financial Instruments’ (‘Ind AS 109’) are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).
- iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income).

Non-derivative financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income). The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Derivatives

The Company has entered into certain forward (derivative) contracts to hedge risks. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense for the period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.13 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

4.14 Income taxes

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside Statement of Profit or Loss (either in other comprehensive income or in equity).

When there is uncertainty over income tax treatments, in such a circumstance, current or deferred tax asset or liability is recognised and measured accordingly. For example, current and deferred tax asset or liability on dividends in profit or loss, other comprehensive income or equity accordingly.

4.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.16 Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of real estate properties under development, as the case may be. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Defined benefit plan

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries.

Current service cost is computed using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset), it determines current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.17 Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefit expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4.18 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

4.19 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.20 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Defined benefit obligation (DBO) – Management’s estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note - 5
Property, plant and equipment

(₹ in lakhs)

	Plant and equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Gross block						
As at 1 April 2019	1,204.86	34.99	41.94	229.36	602.16	2,113.31
Additions	-	4.79	-	4.34	-	9.13
Disposals/adjustments	-	-	-	-	164.37	164.37
As at 31 March 2020	1,204.86	39.78	41.94	233.70	437.79	1,958.07
Additions	-	-	1.09	-	-	1.09
Disposals/adjustments	-	2.54	-	1.54	22.09	26.17
Balance as at 31 March 2021	1,204.86	37.24	43.03	232.16	415.70	1,932.99
Accumulated depreciation						
As at 1 April 2019	1,198.86	26.32	38.02	142.54	486.45	1,892.19
Charge for the year	3.84	5.25	2.15	25.33	29.15	65.72
Disposals/adjustments	-	-	-	-	163.90	163.90
As at 31 March 2020	1,202.70	31.57	40.17	167.87	351.70	1,794.01
Charge for the year	0.57	2.58	1.10	18.58	25.46	48.29
Disposals/adjustments	-	2.54	-	1.04	22.09	25.67
Balance as at 31 March 2021	1,203.27	31.61	41.27	185.41	355.07	1,816.63
Net block as at 31 March 2020	2.16	8.21	1.77	65.83	86.09	164.06
Net block as at 31 March 2021	1.59	5.63	1.76	46.75	60.63	116.36

Note - 6
Right of use assets (refer note 42)

(₹ in lakhs)

	Building	Total
Gross block		
As at 1 April 2019	2,672.55	2,672.55
Adjustments during the year	289.25	289.25
De-recognition on account of early termination of lease contract	289.54	289.54
Balance as at 31 March 2020	2,672.26	2,672.26
Adjustments during the year	-	-
De-recognition on account of early termination of lease contract	2,570.26	2,570.26
Balance as at 31 March 2021	102.00	102.00
Accumulated depreciation		
As at 1 April 2019	-	-
Charge for the year	893.38	893.38
De-recognition on account of early termination of lease contract	70.52	70.52
Balance as at 31 March 2020	822.86	822.86
Charge for the year	340.14	340.14
De-recognition on account of early termination of lease contract	1,084.03	1,084.03
Balance as at 31 March 2021	78.97	78.97
Net block as at 31 March 2020	1,849.40	1,849.40
Net block as at 31 March 2021	23.03	23.03

Note - 7
Intangible assets

(₹ in lakhs)

	Softwares	Total
Gross block		
As at 1 April 2019	368.62	368.62
Additions	-	-
Disposals/assets written off	-	-
As at 31 March 2020	368.62	368.62
Additions	-	-
Disposals/assets written off	-	-
Balance as at 31 March 2021	368.62	368.62
Accumulated amortisation		
As at 1 April 2019	366.96	366.96
Charge for the year	1.66	1.66
Disposals/assets written off	-	-
As at 31 March 2020	368.62	368.62
Charge for the year	-	-
Disposals/assets written off	-	-
Balance as at 31 March 2021	368.62	368.62
Net block as at 31 March 2020	-	-
Net block as at 31 March 2021	-	-

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

	31 March 2021		31 March 2020	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Note - 8				
A Investments - non-current*				
(i) Investment in equity shares**				
Others - quoted				
RattanIndia Power Limited#	219,050,000	5,585.78	219,050,000	2,957.17
Subsidiaries - unquoted				
Airmid Developers Limited	98,039	18.00	98,039	18.00
Albasta Constructions Limited	50,000	5.00	50,000	5.00
Albasta Properties Limited	50,000	5.00	50,000	5.00
Albasta Real Estate Limited	50,000	5.00	50,000	5.00
Albina Properties Limited	50,000	5.00	50,000	5.00
Angina Properties Limited	50,000	5.00	50,000	5.00
Angles Constructions Limited	50,000	5.00	50,000	5.00
Apesh Constructions Limited	50,000	5.00	50,000	5.00
Apesh Properties Limited	50,000	5.00	50,000	5.00
Apesh Real Estate Limited	50,000	5.00	50,000	5.00
Athena Builders and Developers Limited	50,000	5.00	50,000	5.00
Athena Buildwell Limited	50,000	137.71	50,000	137.71
Athena Infrastructure Limited^^^	98,039	142.50	98,039	144.73
Athena Land Development Limited	50,000	5.00	50,000	5.00
Aurora Builders and Developers Limited	50,000	5.00	50,000	5.00
Bridget Builders and Developers Limited	50,000	4,670.20	50,000	4,670.20
Catherine Builders and Developers Limited	50,000	4,251.30	50,000	4,251.30
Ceres Estate Limited	75,000,000	14,995.00	75,000,000	14,995.00
Ceres Land Development Limited	50,000	5.00	50,000	5.00
Ceres Properties Limited	50,000	5.00	50,000	5.00
Citra Developers Limited	50,000	5.00	50,000	5.00
Citra Properties Limited	98,039	14.61	98,039	14.61
Cobitis Buildwell Limited	50,000	5.00	50,000	5.00
Cobitis Real Estate Limited	50,000	5.00	50,000	5.00
Dev Property Development Plc (face value Pence 1) (Refer note (b) below)	380,428	301.00	380,428	301.00
Devona Developers Limited	50,000	5.00	50,000	5.00
Diana Infrastructure Limited	50,000	5.00	50,000	5.00
Edesia Constructions Limited	50,000	5.00	50,000	5.00
Edesia Developers Limited	50,000	5.00	50,000	5.00
Edesia Infrastructure Limited	50,000	5.00	50,000	5.00
Elena Constructions Limited	50,000	5.00	50,000	5.00
Elena Properties Limited	50,000	5.00	50,000	5.00
Fama Properties Limited	50,000	5.00	50,000	5.00
Flora Land Development Limited	50,000	5.00	50,000	5.00
Fornax Real Estate Limited	98,039	9.80	98,039	9.80
Grand Limited (face value of GBP 1 each)	1,000	0.99	1,000	0.99
Hecate Power and Land Development Limited	50,000	5.00	50,000	5.00
Hermes Builders and Developers Limited	50,000	5.00	50,000	5.00
IB Holdings Limited	50,000	5.00	50,000	5.00
Indiabulls Buildcon Limited	668,920	5,404.95	668,920	5,404.95
Indiabulls Commercial Assets Limited	50,000	5.00	50,000	5.00
Indiabulls Communication Infrastructure Limited	50,000	5.00	50,000	5.00
Indiabulls Constructions Limited^^^	50,000	133.57	50,000	132.58
Indiabulls Estate Limited	3,274,734	8,353.25	3,274,734	8,353.25
Indiabulls Hotel Properties Limited	50,000	5.00	50,000	5.00
Indiabulls Housing and Constructions Limited	50,000	5.00	50,000	5.00
Indiabulls Housing and Land Development Limited	50,000	5.00	50,000	5.00
Indiabulls Housing Developers Limited	50,000	5.00	50,000	5.00
Indiabulls Industrial Infrastructure Limited^^^	65,000,000	6,536.02	65,000,000	6,535.67
Balance carried forward		50,729.68		48,101.96

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

	31 March 2021		31 March 2020	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Balance carried over		50,729.68		48,101.96
Indiabulls Infraestate Limited	227,440	162,620.95	227,440	162,620.95
Indiabulls Infratech Limited	50,000	5.00	50,000	5.00
Indiabulls Lands Limited	50,000	5.00	50,000	5.00
Indiabulls Multiplex Services Limited	50,000	67.36	50,000	67.36
Indiabulls Natural Resources Limited	50,000	5.00	50,000	5.00
Indiabulls Projects Limited	100,000,000	10,000.00	100,000,000	10,000.00
Indiabulls Real Estate Builders Limited	50,000	5.00	50,000	5.00
Indiabulls Real Estate Developers Limited	50,000	5.00	50,000	5.00
Indiabulls Realty Company Limited	50,000	5.00	50,000	5.00
Indiabulls Software Parks Limited	50,000	5.00	50,000	5.00
Ivonne Infrastructure Limited	50,000	5.00	50,000	5.00
Juventus Estate Limited^^	98,039	107.26	98,039	113.91
Lakisha Infrastructure Limited	50,000	5.00	50,000	5.00
Lenus Constructions Limited	50,000	5.00	50,000	5.00
Lenus Infrastructure Limited	50,000	5.00	50,000	5.00
Lenus Properties Limited	50,000	5.00	50,000	5.00
Linnet Constructions Limited	50,000	5.00	50,000	5.00
Linnet Developers Limited	50,000	5.00	50,000	5.00
Linnet Infrastructure Limited	50,000	5.00	50,000	5.00
Linnet Properties Limited	50,000	5.00	50,000	5.00
Linnet Real Estate Limited	50,000	5.00	50,000	5.00
Loon Infrastructure Limited	50,000	5.00	50,000	5.00
Lorena Builders Limited	50,000	5.00	50,000	5.00
Lucina Constructions Limited	50,000	5.00	50,000	5.00
Lucina Land Development Limited^^	50,000	203.31	50,000	200.79
Mabon Constructions Limited	50,000	40.68	50,000	40.68
Mabon Properties Limited	50,000	5.00	50,000	5.00
Makala Infrastructure Limited	50,000	5.00	50,000	5.00
Manjola Infrastructure Limited	50,000	5.00	50,000	5.00
Manjola Real Estate Limited	50,000	5.00	50,000	5.00
Mariana Constructions Limited	50,000	21.12	50,000	21.12
Mariana Developers Limited	50,000	5.00	50,000	5.00
Mariana Real Estate Limited	50,000	612.99	50,000	612.99
Nilgiri Infraestate Limited	50,000	5.00	50,000	5.00
Nilgiri Infrastructure Projects Limited	50,000	5.00	50,000	5.00
Nilgiri Resources Limited	50,000	5.00	50,000	5.00
Parmida Constructions Limited	50,000	5.00	50,000	5.00
Parmida Developers Limited	50,000	5.00	50,000	5.00
Parmida Properties Limited	50,000	5.00	50,000	5.00
Selene Builders and Developers Limited	50,000	5.00	50,000	5.00
Selene Constructions Limited^^	98,039	37.79	98,039	38.29
Selene Infrastructure Limited	10,000,000	1,000.00	10,000,000	1,000.00
Selene Land Development Limited	50,000	5.00	50,000	5.00
Sentia Constructions Limited	50,000	39.00	50,000	39.00
Sentia Infrastructure Limited	50,000	5.00	50,000	5.00
Sentia Real Estate Limited	50,000	5.00	50,000	5.00
Sepset Developers Limited	50,000	5.00	50,000	5.00
Serpentes Constructions Limited	50,000	5.00	50,000	5.00
Shoxell Holding Limited (face value Euro 1) (refer note a below)	1,000	0.63	1,040	6,995.88
Sophia Constructions Limited	50,000	5.00	50,000	5.00
Sophia Real Estate Limited	50,000	5.00	50,000	5.00
Sylvanus Properties Limited^^	10,000,000	1,213.72	10,000,000	1,224.81
Balance carried forward		226,889.49		231,272.74

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

	31 March 2021		31 March 2020	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Balance carried over		226,889.49		231,272.74
Tapir Constructions Limited	50,000	5.00	50,000	5.00
Tapir Land Development Limited	50,000	5.00	50,000	5.00
Triton Estate Limited	50,000	5.00	50,000	5.00
Triton Properties Limited	50,000	5.00	50,000	5.00
Varali Constructions Limited	50,000	5.00	50,000	5.00
Varali Infrastructure Limited	50,000	1,441.22	50,000	1,441.22
Varali Properties Limited	50,000	5.00	50,000	5.00
Varali Real Estate Limited	50,000	5.00	50,000	5.00
Vindhyachal Land Development Limited	50,000	5.00	50,000	5.00
Zeus Buildwell Limited	50,000	5.00	50,000	5.00
Zeus Estate Limited	50,000	5.00	50,000	5.00
Sub-total		228,380.71		232,763.96
Less: Impairment in the value of investments		216.11		101.11
Sub-total (A)		228,164.60		232,662.85
(ii) Investment in trust				
Indiabulls Real Estate Limited - Employees Welfare Trust (Refer note (c) below)		-		0.10
Sub-total (B)		-		0.10
(iii) Investment in preference shares##				
Subsidiaries - unquoted				
Airmid Developers Limited (0.0001% compulsorily convertible preference shares)	592,664	160.43	592,664	160.43
Athena Infrastructure Limited (0.0001% compulsorily convertible preference shares)	314,099	38.63	314,099	38.63
Citra Properties Limited (0.0001% compulsorily convertible preference shares)	170,284	34.06	170,284	34.06
Fornax Real Estate Limited (0.0001% compulsorily convertible preference shares)	547,632	5,476.32	547,632	5,476.32
Indiabulls Estate Limited (14% optionally convertible preference shares)	20,633,954	0.77	20,633,954	0.77
Juventus Estate Limited (0.0001% compulsorily convertible preference shares)	355,627	117.43	355,627	117.43
Selene Constructions Limited (0.0001% compulsorily convertible preference shares)	391,519	49.23	391,519	49.23
Indiabulls Constructions Limited (0.00001% optionally convertible redeemable preference shares, face value of ₹ 10 each)	623,280,000	7,000.00	623,280,000	7,000.00
Indiabulls Constructions Limited (0.001% non-convertible redeemable preference shares, face value of ₹ 10 each) (refer note 47)	450,000,000	45,000.00	450,000,000	45,000.00
Makala Infrastructure Limited (0.001% non-convertible redeemable preference shares, face value of ₹ 10 each)	9,000,000	900.00	9,000,000	900.00
Sub-total (C)		58,776.87		58,776.87
(iv) Investment in debentures				
Subsidiaries - unquoted				
Optionally convertible debentures^				
Airmid Developers Limited	1,210,500	32,031.22	1,210,500	32,031.22
Athena Infrastructure Limited	642,000	7,718.94	642,000	7,718.94
Citra Properties Limited	348,500	6,813.18	348,500	6,813.18
Indiabulls Estate Limited	317,081	6,961.46	317,081	6,961.46
Juventus Estate Limited	1,096,893	27,158.96	1,096,893	27,158.96
Selene Constructions Limited	800,000	9,833.69	800,000	9,833.69
Sub-total		90,517.45		90,517.45
Less: Impairment in the value of investments		4,435.04		4,435.04
Sub-total (D)		86,082.41		86,082.41

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

	31 March 2021		31 March 2020	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
(v) Investment in bonds^{^^}				
Others - unquoted^{###}				
HDFC Bank Limited (Coupon rate 8.44%)	8	878.78	8	878.92
Housing Development Finance Corporation Limited (Coupon rate 8.45%)	20	2,148.64	20	2,148.06
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	12	1,294.43	12	1,294.64
Housing Development Finance Corporation Limited (Coupon rate 8.35%)	10	1,098.65	10	1,098.82
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	7	752.09	7	752.21
LIC Housing Finance Limited (Coupon rate 8.47% and face value of ₹ 1,000,000 each)	10	109.99	10	110.01
Sub-total (E)		6,282.58		6,282.66
Grand Total (A+B+C+D+E)		379,306.46		383,804.89
Aggregate amount of unquoted investments (net)		373,720.68		380,847.72
Aggregate amount of quoted investments and market value		5,585.78		2,957.17
Aggregate amount of impairment in the value of investments		4,651.15		4,536.15

Notes:

- (a) During the year, a wholly owned subsidiary of the Company namely Shoxell Holding Limited has bought back 40 shares from the Company for an aggregate consideration of ₹ 7591.76 lakhs and accordingly, the Company has recognized profit on buyback amounting to ₹ 596.41 lakhs in these financials statements.
- (b) During the previous year, a wholly owned subsidiary of the Company namely Dev Property Development Plc ('DPD') has bought back 137,619,572 shares from the Company for an aggregate consideration of ₹ 84,959.50 lakhs and accordingly, the Company has recognized loss on buyback amounting to ₹ 23,929.92 lakhs in these financials
- (c) During the previous year ended 31 march 2020, the Company has set up an employees welfare trust titled "Indiabulls Real Estate Limited – Employees Welfare Trust" (the "Trust") to efficiently manage the current as well as any future share based employees benefits schemes. *Please refer note 19.A(iii) and 19.A(ii).*

**All the investment in subsidiaries are measured at cost as per Ind AS 27 'Separate Financial Statements'*

***Face value of ₹ 10 each unless otherwise stated.*

#This investment (being strategic in nature) is measured at fair value through other comprehensive income ('FVOCI'). The above values represents the fair values as at the end of the respective reporting period. No dividends have been received from such investments during the year.

Face value of ₹ 1,000 each unless otherwise stated

^ Face value of ₹ 1,000 each and coupon rate is 0.0001%, unless otherwise stated

^^Face value of ₹ 10,000,000 each unless otherwise stated and pledge against Non-convertible debentures

^^^The investments include the investment booked for subsidiaries on account of stock options issued to employees of those subsidiaries

including interest accrued on bonds

	31 March 2021		31 March 2020	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
B Investments - current				
Investment in mutual funds (quoted)				
Indiabulls Savings Fund - Direct Plan-Growth		-		1.12
Nil (previous year: 100) units, NAV: `Nil (previous year: NAV: ₹ 1,116.045) per unit]		-		1.12
		-		1.12
Aggregate amount of quoted investments and market value		-		1.12

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	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 9		
A Loans - non current		
Loans receivables considered good - unsecured		
Security deposits given to others	1.87	1,129.22
	1.87	1,129.22
B Loans - current		
Loans receivables considered good - unsecured		
Security deposits	20.00	20.00
Inter-corporate loans to subsidiaries (refer note 40)	282,878.39	444,302.60
Inter-corporate loans to other parties	427.65	1,208.24
Loans receivables - credit impaired		
Inter-corporate loans to subsidiaries (refer note 40)	5,054.88	5,054.88
	288,380.92	450,585.72
	(5,054.88)	(5,054.88)
	283,326.04	445,530.84
Less: Impairment for loans (expected credit loss)		
Note - 10		
A Other financial assets - non-current		
Bank deposits with maturity of more than 12 months (refer note (a) (b) below)	600.00	5,048.00
Other advances*	3.45	-
* Bombay stock exchange limited debt securities recovery expense fund	603.45	5,048.00
Notes:		
(a) Bank deposits of ₹ 600.00 lakhs (31 March 2020: ₹ Nil) have been lien marked against overdraft facility.		
(b) Bank deposits of ₹ Nil (excluding interest accrued) (31 March 2020: ₹ 5,000.00 lakhs) have been lien marked to third party as a security to fulfill certain business obligations.		
B Other financial assets - current		
Earnest money deposit	1.00	1.00
Other advances*	0.50	0.01
* Bombay stock exchange limited debt securities recovery expense fund	1.50	1.01
Note - 11		
Deferred tax assets (net)		
Deferred tax asset arising on account of:		
Property, plant and equipment and intangible assets - depreciation and amortisation	90.59	98.29
Right of use assets and lease liability	-	35.52
Loans and other financial instruments - debt instruments	68.05	0.84
Employee benefits		
Gratuity and compensated absences	11.33	6.71
Share based payment	171.50	167.33
	341.47	308.69
Deferred tax liabilities arising on account of:		
Right of use assets and lease liability	(65.80)	-
	(65.80)	-
	275.67	308.69

- (i) The Company has unabsorbed business losses amounting to ₹ 29,905.66 lakhs (31 March 2020: ₹ 22,153.84 lakhs) on which no deferred tax asset is recognised considering there is no probability which demonstrate realisation of deferred tax asset in the near future. Further these losses are available for offset for maximum period of eight years from the date of incurrence of loss.

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(ii) Caption wise movement in deferred tax assets as follows:

(₹ in lakhs)

Particulars	31 March 2019	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2020
Assets				
Property, plant and equipment and intangible assets	144.85	-	(46.56)	98.29
Right of use assets and lease liability	-	-	35.52	35.52
Loans and other financial assets	8.98	-	(8.14)	0.84
Impairment for investments, financial and non-financial assets	1,227.04	-	(1,227.04)	-
Employee benefits	561.51	(3.48)	(383.99)	174.04
Unabsorbed capital losses	2,684.94	-	(2,684.94)	-
Liabilities				
Derivate assets - mark to market gain on derivative contract	(1,133.03)	-	1,133.03	-
Fair valuation gain of investments	(1,918.36)	-	1,918.36	-
Sub-total	1,575.93	(3.48)	(1,263.76)	308.69
Minimum alternate tax credit entitlement	2,262.65	-	(2,262.65)	-
Total	3,838.58	(3.48)	(3,526.41)	308.69

(₹ in lakhs)

Particulars	31 March 2020	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2021
Assets				
Property, plant and equipment and intangible assets	98.29	-	(7.70)	90.59
Loans and other financial assets	0.84	-	67.21	68.05
Employee benefits	174.04	3.12	5.67	182.83
Liabilities				
Right of use assets and lease liability	35.52	-	(101.32)	(65.80)
Sub-total	308.69	3.12	(36.14)	275.67
Total	308.69	3.12	(36.14)	275.67

Note - 12

Non-current tax assets (net)

Advance income tax, including tax deducted at source (net of provisions)

31 March 2021	31 March 2020
(₹ in lakhs)	(₹ in lakhs)
6,004.78	11,322.85
6,004.78	11,322.85

Note - 13

A Other non-current assets

(Unsecured, considered good)

Prepaid expenses

-	1.91
-	1.91

B Other current assets

(Unsecured, considered good, unless otherwise stated)

Advance to employees

Advance to suppliers/service providers (doubtful balance of ₹ 179.27 lakhs (31 March 2020: ₹ 179.27 lakhs))

Prepaid expenses

Balances with statutory authorities (doubtful balance of ₹ 875.00 lakhs (31 March 2020: ₹ 875.00 lakhs))*

Stamp paper in hands

0.61	0.65
195.01	186.89
31.87	22.57
2,303.20	2,153.34
-	4.50
2,530.69	2,367.95
(1,054.27)	(1,054.27)
1,476.42	1,313.68

Less: Impairment for non-financial assets

*includes ₹ 154.94 lakhs (31 March 2020: ₹ 139.66 lakhs) paid under protest to income tax authorities.

Note - 14**Inventories**

Land*	90.19	90.19
Real estate properties under development (at cost)		
Cost of properties under development	-	7,042.57
Less: Cost of revenue recognised till date (refer note 48)	-	(7,042.57)
	-	-
	90.19	90.19

* The above land is mortgage as security against non-convertible debentures issued by the Company.

Note - 15**Trade receivables**

Trade receivables - credit impaired	33.04	33.04
	33.04	33.04
Less: Impairment for trade receivables (expected credit loss)	(33.04)	(33.04)
	-	-

Note - 16**Cash and cash equivalents**

Cash in hand	-	0.09
Balances with banks		
In current accounts	645.70	1,480.62
	645.70	1,480.71

Note - 17**Other bank balances**

Balances with banks		
In unclaimed dividend accounts (refer note (a) below)	9.42	38.74
Bank deposits - with maturity of more than three months and upto twelve months (refer note (b), (c) below)	5,330.00	23,794.16
Interest Accrued on bank deposits	63.49	314.98
	5,402.91	24,147.88

Notes:

- (a) Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Company does not have any right on the said money.
- (b) Bank deposits of ₹ 5,330.00 lakhs (excluding interest accrued) (31 March 2020: ₹ 20,000.00 lakhs) have been lien marked to third party as a security to fulfill certain business obligations.
- (c) Bank deposits of ₹ Nil (excluding interest accrued) (31 March 2020: ₹ 3,794.17 lakhs) have been pledged with banks against guarantees, overdraft facilities and loan given by banks.

Note - 18**Assets classified held for sale**

Investment held for sale (refer note 47)*	9,003.87	9,003.87
	9,003.87	9,003.87

*During the previous year ended 31 March 2020, the Company had 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 ₹ 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 of ₹ 3.75 lakhs has also been classified as held for sale.

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note - 19		31 March 2021		31 March 2020	
A Equity share capital		(₹ in lakhs)		(₹ in lakhs)	
i Authorised		Number	Amount	Number	Amount
Equity share capital of face value of ₹ 2 each		750,000,000	15,000.00	750,000,000	15,000.00
			15,000.00		15,000.00
ii Issued, subscribed and fully paid up					
Equity share capital of face value of ₹ 2 each fully paid up		451,538,712	9,030.77	454,663,876	9,093.28
			9,030.77		9,093.28
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year					
Balance at the beginning of the year		454,663,876	9,093.28	450,680,289	9,013.61
Add: Issued during the year		-	-	3,983,587	79.67
Less: Investment in Treasury Shares (Own Shares)		3,125,164	62.51	-	-
Balance at the end of the year		451,538,712	9,030.77	454,663,876	9,093.28

iv Rights, preferences and restrictions attached to equity and preference shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

v Details of shareholder holding more than 5% share capital

31 March 2021	
Name of the equity shareholder	Number of shares
Embassy Property Developments Private Limited	63,095,240
SG Infralands Private Limited	-
SG Devbuild Private Limited	-
Morgan Stanley Asia (Singapore) PTE	-
31 March 2020	
Name of the equity shareholder	Number of shares
Embassy Property Developments Private Limited	63,095,240
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	25,100,000
Morgan Stanley Asia (Singapore) PTE	23,356,826

vi Aggregate number of shares issued for consideration other than cash

No shares have been issued for other than cash during the period of five years immediately preceding 31 March 2021.

vii During the year ended 31 March 2021, the Company, through its established trust "Indiabulls Real Estate Limited – Employees Welfare Trust" (the "Trust") had in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 purchased its 31,25,164 Equity shares from the open market, for the implementation and administration of its employees benefit schemes. The face value of these shares have been deducted from the paid-up share capital of the Company, and the excess of amount paid over face value for their acquisition have been adjusted in the other equity

viii Aggregate number of shares bought back

- During the year ended 31 March 2019, 26,000,000 equity shares were bought back at an average price of ₹ 170.85 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.
- During the year ended 31 March 2018, 5,796,000 equity shares were bought back at an average price of ₹ 89.76 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.
- During the year ended 31 March 2017, 28,250,000 equity shares were bought back at an average price of ₹ 78.01 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.

ix Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer note 44.

31 March 2021		31 March 2020	
B Preference share capital		(₹ in lakhs)	
i Authorised		Number	Amount
Preference share capital of face value of ₹ 10 each#		364,000,000	36,400.00
			36,400.00

Since the Company has not issued preference shares, hence, other disclosures are not presented.

Note - 20**Other equity**

	31 March 2021	31 March 2020
	(₹ in lakhs)	(₹ in lakhs)
Reserves and surplus		
General reserve	51,265.03	51,265.03
Capital reserve	27,720.50	27,720.50
Debenture redemption reserve	27,062.50	27,062.50
Capital redemption reserve	2,200.92	2,200.92
Share options outstanding account	564.74	638.00
Securities premium	536,906.86	538,237.57
Retained earnings	(21,636.78)	(7,738.19)
Other comprehensive income		
Fair valuation of equity instruments	(914.23)	(3,542.83)
	623,169.54	635,843.50

Nature and purpose of other reserves**General reserve**

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Capital reserve

The Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Capital redemption reserve

The same has been created in accordance with provisions of Companies Act for the buy back of equity shares from the market.

Deferred employee compensation reserve

The reserve is used to recognised the grant date fair value of the options issued to employees under Company's employee stock option plan.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act 2013.

Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

Fair valuation of equity instruments

The Company has elected to recognise the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated within this reserve under the head equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

Treasury Shares

The Company had created "Indiabulls Real Estate Limited – Employees Welfare Trust" (the "Trust") for the implementation of schemes namely employees stock options plans, employees stock purchase plan and stock appreciation rights plan. The Company treats the trust as its extension and the Company's own shares held by the trust are treated as treasury shares. The premium over face value of the acquired treasury shares are presented as a deduction from the securities premium reserve. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.

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	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 21		
A Borrowings - non-current		
Secured loans		
Debentures*		
Non-convertible debentures (redeemable) (refer note (i) below)	34,340.54	97,942.84
Less: Current maturities of non-current borrowings (refer note 24)	(11,981.22)	(51,741.34)
Term loans		
From banks (refer note (ii) below)	-	118,032.51
Less: Current maturities of non-current borrowings (refer note 24)	-	(118,032.51)
	22,359.32	46,201.50

i Repayment terms (including current maturities) and security details for non-convertible debentures:

Particulars	Security	Maturity date	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
1 190 Redeemable non-convertible debentures issued on 9 September 2016 for ₹ 1,900 lakhs @ 9.85% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	8 July 2022	1,892.07	1,886.50
2 250 Redeemable non-convertible debentures issued on 7 September 2016 for ₹ 2,500 lakhs @ 9.80% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	7 July 2022	2,488.60	2,480.60
3 300 Redeemable non-convertible debentures issued on 16 August 2016 for ₹ 3,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	16 June 2022	2,980.65	2,966.42
4 200 Redeemable non-convertible debentures issued on 18 July 2016 for ₹ 2,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	18 May 2022	1,986.68	1,975.82
5 250 Redeemable non-convertible debentures issued on 12 July 2016 for ₹ 2,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	12 May 2022	2,483.34	2,469.78
6 150 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,490.01	1,481.87
7 160 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,600 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,589.34	1,580.66
8 750 Redeemable non-convertible debentures issued on 29 June 2016 for ₹ 7,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	29 April 2022	7,448.63	7,406.01
9 4,800 Redeemable non-convertible debentures issued on 27 June 2018 for ₹ 48,000 lakhs @ 9.50% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel & Gurugram held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	27 June 2021 and 26 June 2020	11,981.22	47,773.47

Particulars	Security	Maturity date	31 March 2021	31 March 2020
			(₹ in lakhs)	(₹ in lakhs)
10 100 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 1,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	-	993.06
11 200 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 2,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	-	1,979.07
12 5,000 Redeemable non-convertible debentures issued on 29 June 2017 for ₹ 50,000 lakhs @ 9.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Gurugram and Savroli held and owned by the Company's and its certain subsidiary companies by way of pari-passu charge	29 June 2020 and 28 June 2019	-	24,949.58

* Non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.

ii Repayment terms (including current maturities) and security details for term loan from banks:

- a During the year ended 31 March 2020, the Company had availed term loan of ₹ 10,400.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of registered mortgage over 19 identified unsold properties in Tower - A of the project "BLU Estate and Club" (project in one of the subsidiary company) along with proportionate undivided share of land, common area, common amenities and car parks pertaining to said properties. The loan was repayable in 12 equal monthly installments post the principal moratorium period of 6 months although the entire loan has been repaid during the current year. The rate of interest was 11.50% p.a. (RBL Bank's MCLR plus spread). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 7,715.63 lakhs).
- b During the year ended 31 March 2019, the Company had availed term loan of ₹ 100,000.00 lakhs from Yes Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at various locations and owned by certain subsidiary companies. The loan was repayable in three installments at 30%, 35% and 35% at the end of 21st month, 24th month and 27th month from the date of first disbursement although the entire loan has been repaid during the current year. The rate of interest was 10.90% p.a. (Yes Bank's MCLR plus spread). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 99,350.46 lakhs).
- c During the year ended 31 March 2018, the Company had availed term loan of ₹ 10,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at Savroli and owned by certain subsidiary companies. The loan was repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement although the entire loan has been repaid during the current year. The rate of interest was 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 4,987.05 lakhs).
- d During the year ended 31 March 2018, the Company had availed term loan of ₹ 5,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of equitable mortgage on immovable properties located at Gurugram and owned by certain subsidiary companies. The loan was repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement although the entire loan has been repaid during the current year. The rate of interest was 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 2,493.68 lakhs).
- e During the year ended 31 March 2015, the Company had availed term loan of ₹ 28,000.00 lakhs from Axis Bank Limited and interest payable monthly, primarily secured by mortgage on immovable properties situated at Savroli held and owned by the certain subsidiary companies. The loan was further secured by collateral security on immovable properties of certain subsidiary companies. Additionally, the aforesaid term loan was also secured by way of pari-passu charge on all the project related receivables, if any, of its certain subsidiary companies. Further, there was corporate guarantee issued by its certain subsidiary Companies. The loan was repayable in 16 equal quarterly installments after moratorium period of two years from date of first disbursement although the entire loan has been repaid during the current year. The rate of interest was 9.55% p.a. (Axis Bank's six month MCLR plus spread). The outstanding balance as at 31 March 2021 is ₹ Nil (31 March 2020: ₹ 3,485.69 lakhs).

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	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
B Borrowings - current		
Secured loans		
Debentures*		
Non-convertible debentures (redeemable) (refer note (i) below)	5,000.00	-
Unsecured loans		
Commercial paper (refer note a below)	-	-
Loans from related parties (refer note b below and 40)	12,907.45	11,973.45
	17,907.45	11,973.45

i Repayment terms and security details for non-convertible debentures:

Particulars	Security	Maturity date	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
500 Redeemable non-convertible debentures issued on 12 Nov 2020 for ₹ 5,000.00 lakhs @ 10.50% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel held and owned by a subsidiary company.	12 Nov 2021	5,000.00	-

*Non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.

- a. Maximum balance outstanding during the year is ₹ 8,000.00 lakhs (31 March 2020: ₹ 96,500.00 lakhs).
b. Carrying interest rate of 9.50% per annum as at 31 March 2021 (31 March 2020: 9.50% per annum).

Note - 22

A Lease liabilities - non-current

Lease liabilities (refer note 42)

-	859.88
-	859.88

B Lease liabilities - current

Lease liabilities (refer note 42)

10.19	769.71
10.19	769.71

Note - 23

A Provisions - non-current

Provision for employee benefits:

Gratuity (refer note 43)

Compensated absences (refer note 43)

27.03	17.65
16.97	6.35
44.00	24.00

B Provisions - current

Provision for employee benefits:

Gratuity (refer note 43)

Compensated absences (refer note 43)

0.70	2.52
0.30	0.12
1.00	2.64

Note - 24

Other financial liabilities - current

Current maturities of non-current borrowings

Non-convertible debentures (redeemable)

Term loans

Interest accrued on non-convertible debentures and term loans from banks

Unpaid dividend on equity shares*

Retention money payable

Payable for investment**

Expenses payable

11,981.22	51,741.34
-	118,032.51
1,756.13	2,552.92
9.42	38.74
-	5.28
-	5,109.00
-	2,300.78
13,746.77	179,780.57

*Not due for credit to 'Investor Education and Protection Fund'

**This is payable against purchase of an investment

Note - 25

Other current liabilities

Payable to statutory authorities

9.21	202.94
9.21	202.94

Note - 26

Current tax liabilities (net)

Provision for income tax

-	446.85
-	446.85

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 27		
Revenue from operations		
Revenue on account of settlement of existing project (refer note 48)	-	13,707.00
Revenue from real estate properties advisory and management services	-	1,170.83
Other operating income		
Net gain on settlement through merger scheme and fair value impact of assets held for sale (refer note 47)	-	21,406.90
Profit on sale of investments in subsidiary	596.41	-
	596.41	36,284.73
Note - 28		
Other income		
Interest income on		
Inter-corporate loans given to:		
Subsidiaries (refer note 40)	-	18,587.92
Joint ventures (refer note 40)	-	287.55
Others	60.94	314.54
Debentures (refer note 40)	0.04	3,901.23
Bank deposits	1,007.73	1,286.91
Amortised cost financial assets	73.12	481.65
Others	890.42	1,299.31
Profit on sale of investments (net)#	168.79	668.59
Profit on sale of property, plant and equipment (net)	-	0.77
Modification gain on de-recognition of lease contracts	172.14	13.73
Business support income	14.86	69.93
Income on fair valuation of financial assets	-	0.08
Excess provision/liabilities written back	1,733.88	294.63
Foreign Exchange - gain (net)	0.07	-
Miscellaneous income	-	10.03
	4,121.99	27,216.87
<i># Profit recognised on sale of investments in mutual funds</i>		
Note - 29		
Cost of revenue		
Decrease/(increase) in real estate properties		
Opening stock	90.19	7,132.76
Closing stock	(90.19)	(90.19)
	-	7,042.57
Note - 30		
Employee benefits expense		
Salaries and wages	218.57	147.76
Contribution to provident fund and other funds	8.40	1.94
Staff welfare expenses	1.08	4.52
Share based payment expense (refer note 44)	16.60	54.08
	244.65	208.30
Note - 31		
Finance costs		
Interest expense		
On borrowings- related party (refer note 40)	1,186.24	1,058.74
On borrowings- others	14,741.17	28,761.32
On income tax	0.41	1.16
Interest on lease liabilities	56.48	217.03
Other borrowing costs	21.59	122.00
	16,005.89	30,160.25
Note - 32		
Depreciation and amortisation expense		
Depreciation on property, plant and equipment	48.29	65.72
Depreciation on right of use asset	340.14	893.38
Amortisation of intangible assets	-	1.66
	388.43	960.76

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

	31 March 2021 (₹ in lakhs)	31 March 2020 (₹ in lakhs)
Note - 33		
A. Impairment losses on financial assets		
Impairment in value of loans (net)	-	4,821.05
Loans written off	-	10,131.36
	-	14,952.41
B. Other expenses		
Advertisement expenses	3.11	32.33
Auditor's remuneration		
Audit fees	50.06	136.00
Certification and other services	2.00	25.00
Out of pocket expenses	-	4.38
Business support expenses	-	53.17
Communication expenses	7.43	48.93
Director sitting fees	31.00	24.00
Insurance expenses	12.20	47.73
Legal and professional charges	361.50	460.87
Membership and subscription charges	9.99	12.70
Loss on Property, plant and equipment written off	0.49	-
Power and fuel expenses	10.36	46.22
Printing and stationery	13.76	38.16
Rates and taxes	973.49	60.37
Rent expenses	-	0.28
Repairs and maintenance		
Vehicles	0.74	14.22
Buildings	27.51	112.69
Others	37.72	63.64
Brokerage and marketing expenses	4.51	8.73
Travelling and conveyance expenses	10.02	41.69
Loss on sale of investments in subsidiaries and joint ventures (net)	-	8,136.86
Mark to market loss on forward contracts (net)	-	2,423.31
Indemnity charges	320.00	1,654.12
Impairment in other current assets	-	875.00
Impairment in value of investments (net)	115.00	849.03
Miscellaneous expenses	14.98	61.11
	2,005.87	15,230.54

\$ This provision recognised for non-recoverable/ adjustable goods and services tax input credit.

Note - 34
Tax expenses

Current tax reversal - earlier years	-	(44.02)
Deferred tax charge	36.14	3,526.41
Income tax expense reported in the statement of profit or loss	36.14	3,482.39

The major components of the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% and the reported tax expense in the statement of profit or loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting (loss)/profit before tax from continuing operations	(13,926.44)	(5,053.23)
Accounting profit before income tax	(13,926.44)	(5,053.23)
At statutory income tax rate of 25.168% (31 March 2020: 25.168%)	(3,505.01)	(1,271.80)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of exempted income	-	(5,817.27)
Tax impact of expenses which will never be allowed	0.23	417.26
Tax impact of unrecognised deferred tax on temporary difference	-	3,561.82
Tax impact on indexation benefits under Income Tax Act, 1961	(246.74)	(32,747.73)
Tax impact of unrecognised deferred tax on capital losses	96.64	37,009.12
Tax impact of unrecognised deferred tax on unabsorbed losses	3,897.64	408.73
Reversal of minimum alternate credit entitlement	-	2,262.65
Others	(206.62)	(340.39)
Income tax expense	36.14	3,482.39

	<u>31 March 2021</u> (₹ in lakhs)	<u>31 March 2020</u> (₹ in lakhs)
Note - 35		
Earnings per share (EPS)		
Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number potential equity shares outstanding during the year including share options, except where the result would be anti-dilutive. Weighted average number of equity shares includes impact of buy back of equity shares during the year.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
	<u>31 March 2021</u>	<u>31 March 2020</u>
Loss attributable to equity holders (₹ in lakhs)	(13,962.58)	(8,535.62)
Nominal value of equity share (₹)	2.00	2.00
Total number of equity shares outstanding at the beginning of the year	454,663,876	450,680,289
Total number of equity shares outstanding at the end of the year	451,538,712	454,663,876
Weighted average number of equity shares for basic earning per share	452,024,375	453,834,397
Add: Share based options*	-	-
Weighted average number of equity shares adjusted for diluted earning per share	<u>452,024,375</u>	<u>453,834,397</u>
Earnings per equity share of (face value ₹ 2 each)		
Basic (₹)	(3.09)	(1.88)
Diluted (₹)	(3.09)	(1.88)

*Potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.

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Note - 36

Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value

(₹ in lakhs)

31 March 2021	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	-	-	-	-
Financial instruments at FVOCI				
Quoted equity instruments	5,585.78	-	-	5,585.78
Total financial assets	5,585.78	-	-	5,585.78

Financial assets measured at fair value

(₹ in lakhs)

31 March 2020	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	1.12	-	-	1.12
Financial instruments at FVOCI				
Quoted equity instruments	2,957.17	-	-	2,957.17
Total financial assets	2,958.29	-	-	2,958.29

(iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

- (i) Traded (market) price basis recognised stock exchange for equity shares.
- (ii) Use of net asset value for mutual funds on the basis of the statement received from investee party.

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Note - 37

Financial risk management

i) Financial instruments by category

(₹ in lakhs)

	31 March 2021			31 March 2020		
Particulars	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
Financial assets						
Investments						
Equity instruments	-	5,585.78	-	-	2,957.17	-
Bonds	-	-	6,282.58	-	-	6,282.66
Mutual funds	-	-	-	1.12	-	-
Trade receivables	-	-	-	-	-	-
Cash and cash equivalents	-	-	645.70	-	-	1,480.71
Other bank balances	-	-	5,402.91	-	-	24,147.88
Loans	-	-	283,306.04	-	-	445,510.84
Security deposits	-	-	21.87	-	-	1,149.22
Other financial assets	-	-	604.95	-	-	5,049.01
Total financial assets	-	5,585.78	296,264.05	1.12	2,957.17	483,620.32

(₹ in lakhs)

	31 March 2021			31 March 2020		
Particulars	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	52,247.99	-	-	227,948.80
Lease liabilities	-	-	10.19	-	-	1,629.59
Other financial liabilities	-	-	1,765.55	-	-	10,006.72
Total financial liabilities	-	-	54,023.73	-	-	239,585.11

Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements'.

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

ii) Fair value of instruments measured at amortised cost

(₹ in lakhs)

Particulars	Level	31 March 2021		31 March 2020	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments (bonds)	Level 3	6,282.58	6,282.58	6,282.66	6,282.66
Loans	Level 3	1.87	1.87	1,129.22	1,129.22
Other financial assets	Level 3	603.45	603.45	5,048.00	5,048.00
Total financial assets		6,887.90	6,887.90	12,459.88	12,459.88
Financial liabilities					
Borrowings*	Level 3	22,359.32	22,359.32	46,201.50	46,201.50
Total financial liabilities		22,359.32	22,359.32	46,201.50	46,201.50

The above disclosures is presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (investments, trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, lease liabilities and other current financial liabilities) represents the best estimate of fair value.

*A part of the non-convertible redeemable debentures issued by the Company are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures represents the best estimate of fair value.

iii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/Life time expected credit loss
C: High credit risk	Trade receivables and loans	Life time expected credit loss/fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –		(₹ in lakhs)	
Credit rating	Particulars	31 March 2021	31 March 2020
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	301,351.97	488,708.24
C: High credit risk	Trade receivables and loans	5,087.92	5,087.92

ii) *Concentration of financial assets*

The Company's principal business activities are real estate project advisory, construction and development of real estate properties and all other related activities. The Company's outstanding receivables are for real estate project advisory business. Loans and other financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

b) **Credit risk exposure**

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2021				(₹ in lakhs)
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision	
Investments	6,282.58	-	6,282.58	
Trade receivables	33.04	33.04	-	
Cash and cash equivalents	645.70	-	645.70	
Other bank balances	5,402.91	-	5,402.91	
Loans	288,360.92	5,054.88	283,306.04	
Security deposit	21.87	-	21.87	
Other financial assets	604.95	-	604.95	

As at 31 March 2020				(₹ in lakhs)
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision	
Investments	6,282.66	-	6,282.66	
Trade receivables	33.04	33.04	-	
Cash and cash equivalents	1,480.71	-	1,480.71	
Other bank balances	24,147.88	-	24,147.88	
Loans	450,565.72	5,054.88	445,510.84	
Security deposit	1,149.22	-	1,149.22	
Other financial assets	5,049.01	-	5,049.01	

Expected credit loss for trade receivables under simplified approach

The Company's outstanding trade receivables are less than six months old and the Company expects that money will be received in due course.

Reconciliation of loss provision			(₹ in lakhs)
Reconciliation of loss allowance	Trade receivables	Loans	
Loss allowance on 31 March 2019	33.04	233.83	
Impairment loss recognised during the year	-	4,821.05	
Loss allowance on 31 March 2020	33.04	5,054.88	
Impairment loss recognised during the year	-	-	
Loss allowance on 31 March 2021	33.04	5,054.88	

(B) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lakhs)					
31 March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	17,907.45	34,500.00	-	-	52,407.45
Lease liabilities	10.19	-	-	-	10.19
Other financial liabilities	1,765.55	-	-	-	1,765.55
Total	19,683.19	34,500.00	-	-	54,183.19

(₹ in lakhs)

31 March 2020	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	182,773.45	24,000.00	22,500.00	-	229,273.45
Lease liabilities	816.68	834.85	187.44	-	1,838.97
Other financial liabilities	10,006.72	-	-	-	10,006.72
Total	193,596.85	24,834.85	22,687.44	-	241,119.14

(C) Market risk**(i) Interest rate risk**

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Variable rate borrowing	12,907.45	130,005.96
Fixed rate borrowing	39,340.54	97,942.84
Total borrowings	52,247.99	227,948.80

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Interest rates – increase by 1% (31 March 2020: 1%)	129.07	1,300.06
Interest rates – decrease by 1% (31 March 2020: 1%)	(129.07)	(1,300.06)

(ii) Price risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods -

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Price sensitivity		
Price increase by (10%) - FVOCI instrument	558.58	295.72
Price decrease by (10%) - FVOCI instrument	(558.58)	(295.72)
Price increase by (2%) - FVTPL instrument	-	0.02
Price decrease by (2%) - FVTPL instrument	-	(0.02)

(iii) Foreign exchange risk

The Company does not have any foreign exchange risk arising from derivative contracts.

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Note – 38
Capital management

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios –

Debt equity ratio			(₹ in lakhs)
	31 March 2021	31 March 2020	
Net debt *	45,599.38	197,271.09	
Total equity	632,200.31	644,936.78	
Net debt to equity ratio	0.07	0.31	

* Net debt includes non-current borrowings *plus* current borrowings *plus* current maturities of non-current borrowings *less* cash and cash equivalents (including bank deposits and other liquid securities).

Debt service coverage ratio			(₹ in lakhs)
	31 March 2021	31 March 2020	
Earnings before interest and tax	2,000.97	24,766.83	
Interest expense for the year + Principal repayments of non-current borrowings during the year	198,727.41	119,928.43	
Debt service coverage ratio	0.01	0.21	

The Company does not have any undrawn borrowing facilities.

Note – 39
Information about subsidiaries and joint ventures

The information about subsidiaries of the Company is as follows. The below table includes the information about step down subsidiaries .

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Aedos Real Estate Company Limited	India	100.00%	100.00%
Airmid Developers Limited	India	100.00%	100.00%
Airmid Properties Limited	India	100.00%	100.00%
Airmid Real Estate Limited	India	100.00%	100.00%
Albasta Constructions Limited	India	100.00%	100.00%
Albasta Developers Limited	India	100.00%	100.00%
Albasta Infrastructure Limited	India	100.00%	100.00%
Albasta Properties Limited	India	100.00%	100.00%
Albasta Real Estate Limited	India	100.00%	100.00%
Albina Properties Limited	India	100.00%	100.00%
Albina Real Estate Limited	India	100.00%	100.00%
Amadis Land Development Limited	India	100.00%	100.00%
Angina Properties Limited	India	100.00%	100.00%
Angles Constructions Limited	India	100.00%	100.00%
Apesh Constructions Limited	India	100.00%	100.00%
Apesh Properties Limited	India	100.00%	100.00%
Apesh Real Estate Limited	India	100.00%	100.00%
Ashkit Constructions Limited	India	100.00%	100.00%
Athena Builders and Developers Limited	India	100.00%	100.00%
Athena Buildwell Limited	India	100.00%	100.00%
Athena Infrastructure Limited	India	100.00%	100.00%
Athena Land Development Limited	India	100.00%	100.00%
Aurora Builders and Developers Limited	India	100.00%	100.00%
Bridget Builders and Developers Limited	India	100.00%	100.00%
Catherine Builders and Developers Limited	India	100.00%	100.00%
Ceres Constructions Limited	India	100.00%	100.00%
Ceres Estate Limited	India	100.00%	100.00%
Ceres Infrastructure Limited	India	100.00%	100.00%
Ceres Land Development Limited	India	100.00%	100.00%
Ceres Properties Limited	India	100.00%	100.00%
Chloris Real Estate Limited	India	100.00%	100.00%
Citra Developers Limited	India	100.00%	100.00%
Citra Properties Limited	India	100.00%	100.00%
Cobitis Buildwell Limited	India	100.00%	100.00%
Cobitis Real Estate Limited	India	100.00%	100.00%
Corus Real Estate Limited	India	100.00%	100.00%
Devona Developers Limited	India	100.00%	100.00%
Devona Infrastructure Limited	India	100.00%	100.00%
Devona Properties Limited	India	100.00%	100.00%
Diana Infrastructure Limited	India	100.00%	100.00%
Diana Land Development Limited	India	100.00%	100.00%
Edesia Constructions Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Edesia Developers Limited	India	100.00%	100.00%
Edesia Infrastructure Limited	India	100.00%	100.00%
Elena Constructions Limited	India	100.00%	100.00%
Elena Properties Limited	India	100.00%	100.00%
Fama Builders and Developers Limited	India	100.00%	100.00%
Fama Construction Limited	India	100.00%	100.00%
Fama Estate Limited	India	100.00%	100.00%
Fama Infrastructure Limited	India	100.00%	100.00%
Fama Land Development Limited	India	100.00%	100.00%
Fama Properties Limited	India	100.00%	100.00%
Flora Land Development Limited	India	100.00%	100.00%
Fornax Constructions Limited	India	100.00%	100.00%
Fornax Real Estate Limited	India	100.00%	100.00%
Galium Builders And Developers Limited	India	100.00%	100.00%
Hecate Power and Land Development Limited	India	100.00%	100.00%
Hermes Builders and Developers Limited	India	100.00%	100.00%
Hermes Properties Limited	India	100.00%	100.00%
IB Assets Limited	India	100.00%	100.00%
IB Holdings Limited	India	100.00%	100.00%
Indiabulls Buildcon Limited	India	100.00%	100.00%
Indiabulls Commercial Assets Limited	India	100.00%	100.00%
Indiabulls Commercial Estate Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Management Limited	India	100.00%	100.00%
Indiabulls Communication Infrastructure Limited	India	100.00%	100.00%
Indiabulls Constructions Limited	India	100.00%	100.00%
Indiabulls Engineering Limited	India	100.00%	100.00%
Indiabulls Estate Limited	India	100.00%	100.00%
Indiabulls Hotel Properties Limited	India	100.00%	100.00%
Indiabulls Housing and Constructions Limited	India	100.00%	100.00%
Indiabulls Housing and Land Development Limited	India	100.00%	100.00%
Indiabulls Housing Developers Limited	India	100.00%	100.00%
Indiabulls Industrial Infrastructure Limited	India	89.01%	89.01%
Indiabulls Infraestate Limited	India	100.00%	100.00%
Indiabulls Infrastructure Projects Limited	India	100.00%	100.00%
Indiabulls Infotech Limited	India	100.00%	100.00%
Indiabulls Land Holdings Limited	India	100.00%	100.00%
Indiabulls Lands Limited	India	100.00%	100.00%
Indiabulls Multiplex Services Limited	India	100.00%	100.00%
Indiabulls Natural Resources Limited	India	100.00%	100.00%
Indiabulls Projects Limited	India	100.00%	100.00%
Indiabulls Real Estate Builders Limited	India	100.00%	100.00%
Indiabulls Real Estate Developers Limited	India	100.00%	100.00%
Indiabulls Realty Company Limited	India	100.00%	100.00%
Indiabulls Software Parks Limited	India	100.00%	100.00%
Ivonne Infrastructure Limited	India	100.00%	100.00%
Juventus Constructions Limited	India	100.00%	100.00%
Juventus Estate Limited	India	100.00%	100.00%
Juventus Infrastructure Limited	India	100.00%	100.00%
Juventus Land Development Limited	India	100.00%	100.00%
Juventus Properties Limited	India	100.00%	100.00%
Kailash Buildwell Limited	India	100.00%	100.00%
Kaltha Developers Limited	India	100.00%	100.00%
Karakoram Buildwell Limited	India	100.00%	100.00%
Karakoram Properties Limited	India	100.00%	100.00%
Kenneth Builders and Developers Limited	India	100.00%	100.00%
Lakisha Infrastructure Limited	India	100.00%	100.00%
Lavone Builders And Developers Limited	India	100.00%	100.00%
Lenus Constructions Limited	India	100.00%	100.00%
Lenus Infrastructure Limited	India	100.00%	100.00%
Lenus Properties Limited	India	100.00%	100.00%
Linnnet Constructions Limited	India	100.00%	100.00%
Linnnet Developers Limited	India	100.00%	100.00%
Linnnet Infrastructure Limited	India	100.00%	100.00%
Linnnet Properties Limited	India	100.00%	100.00%
Linnnet Real Estate Limited	India	100.00%	100.00%
Loon Infrastructure Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Lorena Builders Limited	India	100.00%	100.00%
Lorena Constructions Limited	India	100.00%	100.00%
Lorena Developers Limited	India	100.00%	100.00%
Lorena Infrastructure Limited	India	100.00%	100.00%
Lorena Real Estate Limited	India	100.00%	100.00%
Lorita Developers Limited	India	100.00%	100.00%
Lucina Builders and Developers Limited	India	100.00%	100.00%
Lucina Buildwell Limited	India	100.00%	100.00%
Lucina Constructions Limited	India	100.00%	100.00%
Lucina Estate Limited	India	100.00%	100.00%
Lucina Land Development Limited	India	100.00%	100.00%
Lucina Properties Limited	India	100.00%	100.00%
Mabon Constructions Limited	India	100.00%	100.00%
Mabon Infrastructure Limited	India	100.00%	100.00%
Mabon Properties Limited	India	100.00%	100.00%
Majesta Builders Limited	India	100.00%	100.00%
Majesta Constructions Limited	India	100.00%	100.00%
Majesta Developers Limited	India	100.00%	100.00%
Majesta Infrastructure Limited	India	100.00%	100.00%
Majesta Properties Limited	India	100.00%	100.00%
Makala Infrastructure Limited	India	100.00%	100.00%
Manjola Infrastructure Limited	India	100.00%	100.00%
Manjola Real Estate Limited	India	100.00%	100.00%
Mariana Constructions Limited	India	100.00%	100.00%
Mariana Developers Limited	India	100.00%	100.00%
Mariana Properties Limited	India	100.00%	100.00%
Mariana Real Estate Limited	India	100.00%	100.00%
Milkyway Buildcon Limited	India	100.00%	100.00%
Nerissa Constructions Limited	India	100.00%	100.00%
Nerissa Developers Limited	India	100.00%	100.00%
Nerissa Infrastructure Limited	India	100.00%	100.00%
Nerissa Properties Limited	India	100.00%	100.00%
Nerissa Real Estate Limited	India	100.00%	100.00%
Nilgiri Buildwell Limited	India	100.00%	100.00%
Nilgiri Infraestate Limited	India	100.00%	100.00%
Nilgiri Infrastructure Development Limited	India	100.00%	100.00%
Nilgiri Infrastructure Limited	India	100.00%	100.00%
Nilgiri Infrastructure Projects Limited	India	100.00%	100.00%
Nilgiri Land Development Limited	India	100.00%	100.00%
Nilgiri Land Holdings Limited	India	100.00%	100.00%
Nilgiri Lands Limited	India	100.00%	100.00%
Nilgiri Resources Limited	India	100.00%	100.00%
Noble Realtors Limited	India	100.00%	100.00%
Paidia Infrastructure Limited	India	100.00%	100.00%
Parmida Constructions Limited	India	100.00%	100.00%
Parmida Developers Limited	India	100.00%	100.00%
Parmida Properties Limited	India	100.00%	100.00%
Platane Infrastructure Limited	India	100.00%	100.00%
Selene Builders and Developers Limited	India	100.00%	100.00%
Selene Buildwell Limited	India	100.00%	100.00%
Selene Constructions Limited	India	100.00%	100.00%
Selene Infrastructure Limited	India	100.00%	100.00%
Selene Land Development Limited	India	100.00%	100.00%
Selene Properties Limited	India	100.00%	100.00%
Sentia Constructions Limited	India	100.00%	100.00%
Sentia Developers Limited	India	100.00%	100.00%
Sentia Infrastructure Limited	India	100.00%	100.00%
Sentia Real Estate Limited	India	100.00%	100.00%
Sepset Developers Limited	India	100.00%	100.00%
Sepset Real Estate Limited	India	100.00%	100.00%
Serida Infrastructure Limited	India	100.00%	100.00%
Serida Properties Limited	India	100.00%	100.00%
Serpentes Constructions Limited	India	100.00%	100.00%
Shivalik Properties Limited	India	100.00%	100.00%
Sophia Constructions Limited	India	100.00%	100.00%
Sophia Real Estate Limited	India	100.00%	100.00%
Sylvanus Properties Limited	India	100.00%	100.00%

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Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
Tapir Constructions Limited	India	100.00%	100.00%
Tapir Land Development Limited	India	100.00%	100.00%
Tefia Land Development Limited	India	100.00%	100.00%
Triton Buildwell Limited	India	100.00%	100.00%
Triton Estate Limited	India	100.00%	100.00%
Triton Infrastructure Limited	India	100.00%	100.00%
Triton Properties Limited	India	100.00%	100.00%
Varali Constructions Limited	India	100.00%	100.00%
Varali Developers Limited	India	100.00%	100.00%
Varali Infrastructure Limited	India	100.00%	100.00%
Varali Properties Limited	India	100.00%	100.00%
Varali Real Estate Limited	India	100.00%	100.00%
Vindhyachal Buildwell Limited	India	100.00%	100.00%
Vindhyachal Developers Limited	India	100.00%	100.00%
Vindhyachal Infrastructure Limited	India	100.00%	100.00%
Vindhyachal Land Development Limited	India	100.00%	100.00%
Vonnice Real Estate Limited	India	100.00%	100.00%
Zeus Builders And Developers Limited	India	100.00%	100.00%
Zeus Buildwell Limited	India	100.00%	100.00%
Zeus Estate Limited	India	100.00%	100.00%
Zeus Properties Limited	India	100.00%	100.00%
Arianca Limited	Cyprus	100.00%	100.00%
Ariston Investments Limited	Mauritius	100.00%	100.00%
Ariston Investments Sub C Limited	Mauritius	100.00%	100.00%
Brenformexa Limited	Cyprus	100.00%	100.00%
Dev Property Development Limited	Isle of Man	100.00%	100.00%
Foundvest Limited	Cyprus	100.00%	100.00%
Grand Limited	Jersey	100.00%	100.00%
Grapene Limited	Cyprus	100.00%	100.00%
Indiabulls Properties Investment Trust	Singapore	100.00%	100.00%
Indiabulls Property Management Trustee Pte. Limited.	Singapore	100.00%	100.00%
M Holdco 1 Limited	Mauritius	100.00%	100.00%
M Holdco 2 Limited	Mauritius	100.00%	100.00%
M Holdco 3 Limited	Mauritius	100.00%	100.00%
Navilith Holdings Limited	Cyprus	100.00%	100.00%
Shoxell Holdings Limited	Cyprus	100.00%	100.00%

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Note – 40
Related party transactions
Subsidiaries

Details in reference to subsidiaries are presented in Note 39.

Joint Ventures

One Qube Realtors Limited (Formerly Ashkit Properties Limited)(from 28 December 2018 till 25 September 2019)

Concepts International India Private Limited (from 28 December 2018 till 25 September 2019)

Indiabulls Properties Private Limited (from 29 March 2018 till 25 September 2019)

One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)(from 29 March 2018 till 25 September 2019)

Indiabulls Realty Developers Limited (from 29 March 2018 till 25 September 2019)

Yashita Buildcon Limited (from 28 December 2018 till 25 September 2019)

Key management personnel

Mr. Mehul Johnson (Joint Managing Director) from 31 December 2020

Mr. Vishal Gaurishankar Damani (Joint Managing Director) till date 31 December 2020

Mr. Gurbans Singh (Joint Managing Director)

The transaction with key management personnel are listed below:

(₹ in lakhs)

Nature of transactions	31 March 2021	31 March 2020
Managerial remuneration		
Share based payment		
Mr. Vishal Gaurishankar Damani	-	17.78
Mr. Gurbans Singh	-	10.66

(i) Statement of transactions with related parties

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
	Subsidiary Companies	Subsidiary Companies
Investment in equity shares (including share based options for employees of subsidiaries amounting to ₹ Nil (31 March 2020: ₹ 17.93 lakhs))	-	47,517.93
Sale of equity shares	-	162,102.74
Buyback of equity shares	7,591.76	84,959.49
Inter-corporate loans and advances given*	565,444.79	587,072.15
Inter-corporate loans and advances taken*	71,521.24	128,462.45
Interest income on debentures	-	3,901.19
Interest income on inter corporate loan	-	18,587.92
Business support income	-	69.93
Business support expenses	-	53.17
Interest expenses	1,186.24	1,058.74
Reimbursement of expenses	-	20.96
Corporate guarantees given/(settled)	567.35	(131,572.27)

*Maximum balance outstanding at any time during the year.

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
	Joint venture	Joint venture
Income from administration, legal and management fees and marketing commission	-	1,170.83
Interest income	-	287.55
Depreciation on right of use asset	-	326.83
Interest on lease liabilities	-	98.95
Maintenance expenses	-	47.85
Electricity expenses	-	23.35
Inter-corporate loans and advances given*	-	14,868.33
Corporate guarantees settled	-	(503,362.13)

*Maximum balance outstanding at any time during the year.

(ii) Statement of balances outstanding:

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
	Subsidiary Companies	Subsidiary Companies
Inter-corporate loans given (including impairment of ₹ 5,054.88 lakhs (31 March 2020: ₹ 5,054.88 lakhs))	287,933.27	449,357.48
Inter-corporate loans and advances taken	12,907.45	11,973.45
Non-current investment* (including impairment of ₹ 4,651.15 lakhs (31 March 2020: ₹ 4,536.15 lakhs))	367,438.10	374,565.06
Corporate guarantee	68,491.27	61,923.92

*For details refer note 8.

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

(iii) Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

Information related to material related party transactions:			(₹ in lakhs)
Particulars	31 March 2021	31 March 2020	
	Subsidiary Companies	Subsidiary Companies	
Investment in equity shares			
Century Limited#	-	47,500.00	
Sale of equity shares			
Brenformexa Limited	-	162,102.74	
Buyback of equity shares			
Dev Property Development Limited	-	84,959.49	
Shoxell Holding Limited	7,591.76	-	
Interest income on inter corporate loan			
Indiabulls Constructions Limited	-	5,922.58	
Tapir Constructions Limited	-	3,577.33	
Juventus Estate Limited	-	1,185.86	
Sylvanus Properties Limited	-	6,424.24	
Makala Infrastructure Limited	-	637.35	
Nerissa Infrastructure Limited	-	837.93	
Mariana Infrastructure Limited	-	2.63	
Interest income on Debentures			
Indiabulls Infraestate Limited	-	3,901.19	
Business support income			
Indiabulls Estate Limited	-	7.97	
Sentia Infrastructure Limited	-	7.97	
Apesh Constructions Limited	-	7.97	
Aurora Builders And Developers Limited	-	3.52	
Indiabulls Communication Infrastructure Limited	-	3.27	
Indiabulls Hotel Properties Limited	-	3.21	
Indiabulls Housing and Constructions Limited	-	3.31	
Indiabulls Housing and Land Development Limited	-	3.29	
Indiabulls Housing Developers Limited	-	3.61	
Indiabulls Natural Resources Limited	-	3.22	
Indiabulls Real Estate Builders Limited	-	3.54	
Indiabulls Real Estate Developers Limited	-	3.55	
Indiabulls Software Parks Limited	-	3.44	
Lakisha Infrastructure Limited	-	3.61	
Loon Infrastructure Limited	-	4.05	
Manjola Real Estate Limited	-	3.08	
Selene Builders And Developers Limited	-	0.63	
Triton Estate Limited	-	0.68	
Business support expenses			
Indiabulls Construction Limited	-	53.17	
Interest expenses			
Indiabulls Industrial Infrastructure Limited	1,138.37	1,058.74	
Makala Infrastructure Limited	9.42	-	
Corus Real Estate Limited	15.91	-	
Chloris Real Estate Limited	15.27	-	
Nerissa Infrastructure Limited	7.27	-	
Reimbursement of expenses			
Indiabulls Infraestate Limited	-	20.96	
Corporate guarantees (settled)/ given			
Airmid Developers Limited	(405.16)	-	
Citra Properties Limited	14,929.77	(273.70)	
Tapir Constructions Limited	25,600.00	-	
Eros Limited#	-	(66,437.44)	
Indiabulls Constructions Limited	-	(4,628.74)	
Indiabulls Infraestate Limited	(34,209.00)	33,888.63	
Indiabulls Estate Limited	(389.72)	-	
Juventus Estate Limited	(330.71)	(88.63)	
Lucina Land Development Limited	(1,544.08)	(20,500.00)	
Mariana Infrastructure Limited	-	(4,257.50)	
Sylvanus Properties Limited	(10.00)	(8,333.00)	
Titan Limited#	-	(60,955.95)	
Sophia Real Estate Limited	(1,209.44)	-	
Athena Infrastructure Limited	(712.10)	188.74	
Selene Constructions Limited	(1,152.21)	(174.68)	

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Particulars	31 March 2021	31 March 2020
	Joint venture	Joint venture
Income from administration, legal and management fees		
Indiabulls Reality Developers Limited	-	1,144.32
Yashita Buildcon Limited	-	26.52
Interest income		
One Qube Realtors Limited (Formerly Ashkit Properties Limited)	-	246.29
Indiabulls Properties Private Limited	-	41.26
Depreciation on right of use asset		
One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)	-	326.83
Interest on lease liabilities		
One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)	-	98.95
Maintenance expenses		
One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)	-	47.85
Electricity expenses		
One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)	-	23.35
Corporate guarantees (settled)/ given		
Indiabulls Properties Private Limited	-	(256,452.78)
One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)	-	(246,909.35)

Information related to material related parties maximum balance outstanding and closing balances:

Particulars	31 March 2021		31 March 2020	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Inter-corporate loans and advances given				
Airmid Properties Limited	670.45	670.45	670.37	670.37
Albasta Infrastructure Limited	7.83	7.83	-	-
Albasta Properties Limited	2,104.34	2,104.34	2,104.29	2,104.29
Amadis Land Development Limited	397.30	397.30	397.30	397.30
Athena Infrastructure Limited	19,757.00	18,165.25	19,757.00	19,757.00
Ceres Constructions Limited	358.88	358.88	358.88	358.88
Ceres Infrastructure Limited	353.00	353.00	352.97	352.97
Ceres Land Development Limited	482.35	482.35	482.29	482.29
Ceres Properties Limited	430.55	430.55	429.55	429.55
Chloris Real Estate Limited	1,440.77	1,426.77	1,452.27	1,424.27
Citra Properties Limited	24,552.20	2,854.44	25,901.95	24,522.20
Citra Developers Limited	1.00	1.00	-	-
Corus Real Estate Limited	658.49	643.99	696.19	641.99
Devona Developers Limited	1,128.28	1,128.28	1,138.21	1,127.21
Diana Infrastructure Limited	481.70	481.70	481.60	480.70
Fama Construction Limited	860.89	860.89	860.89	860.89
Fama Estate Limited	1,374.25	1,374.25	1,374.18	1,374.18
Fama Land Development Limited	557.52	557.52	557.52	557.52
Fornax Constructions Limited	716.34	716.34	718.94	716.34
Indiabulls Constructions Limited	195,329.62	130,971.62	165,003.00	125,478.00
Indiabulls Estate Limited	-	-	217.50	-
Indiabulls Infraestate Limited	114,400.00	1,626.00	97,446.00	97,446.00
Juventus Estate Limited	14,948.21	14,948.21	15,274.21	14,948.21
Juventus Land Development Limited	325.72	325.72	326.02	325.72
Karakoram Buildwell Limited	603.20	603.20	603.16	603.16
Lakisha Real Estate Limited	-	-	4,520.79	-
Linnet Properties Limited	1,372.50	1,372.50	1,373.50	1,372.50
Linnet Real Estate Limited	1,449.90	903.90	1,449.70	1,449.70
Lucina Buildwell Limited	1,728.08	1,728.08	1,724.48	1,724.08
Lucina Estate Limited	596.27	596.27	626.27	596.27
Makala Infrastructure Limited	8,558.37	8,549.87	8,537.37	8,537.37
Mariana Infrastructure Limited	-	-	7,795.80	-
Nerissa Infrastructure Limited	11,167.08	11,161.08	11,146.58	11,146.58
Nilgiri Infrastructure Projects Limited	3,138.81	3,138.81	3,162.51	3,136.81
Parmida Properties Limited	1,575.51	1,575.51	1,575.49	1,575.49
Selene Infrastructure Limited	11.80	11.80	12.00	4.00
Sentia Infrastructure Limited	8,225.14	2,225.14	8,887.82	8,221.14
Sophia Constructions Limited	400.20	11.70	1,295.30	400.20
Sylvanus Properties Limited	98,068.95	52,736.45	129,359.20	68,964.95
Tapir Constructions Limited	39,759.30	14,979.30	59,636.90	39,717.30
Triton Buildwell Limited	785.98	785.98	785.93	785.93
Triton Infrastructure Limited	553.07	553.07	553.07	553.07
Varali Developers Limited	1,173.87	1,173.87	1,173.24	1,173.24
Varali Infrastructure Limited	-	-	1,902.10	-
Vindhyachal Buildwell Limited	2,955.15	2,955.15	2,954.89	2,954.89
Vindhyachal Infrastructure Limited	1,023.81	1,023.81	1,033.01	1,023.81
Zeus Properties Limited	961.11	961.11	961.91	961.11
Inter-corporate loans and advances taken				
Makala Infrastructure Limited	11,458.63	-	-	-
Corus Real Estate Limited	19,358.01	-	-	-
Nerissa Infrastructure Limited	8,849.42	-	-	-
Chloris Real Estate Limited	18,575.73	-	-	-
Indiabulls Constructions Limited	-	-	116,489.00	-
Indiabulls Industrial Infrastructure Limited	12,909.45	12,907.45	11,973.45	11,973.45

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Particulars	31 March 2021		31 March 2020	
	Joint Ventures		Joint Ventures	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Inter-corporate loans and advances given				
One Qube Realtor Limited (Formerly Ashkit Properties Limited)	-	-	4,707.33	-
Indiabulls Properties Private Limited	-	-	8,800.00	-
One International Centre Private Limited (Formerly known as Indiabulls Real Estate Company Private Limited)	-	-	1,361.00	-

Information related to material related party balance outstanding:

(₹ in lakhs)

Particulars	31 March 2021 Subsidiary Companies	31 March 2020 Subsidiary Companies
Corporate guarantee		
Airmid Developers Limited	315.21	720.38
Athena Infrastructure Limited	405.00	1,117.10
Citra Properties Limited	15,000.00	70.23
Tapir Constructions Limited	25,600.00	-
Indiabulls Estate Limited	326.88	716.59
Indiabulls Infraestate Limited	-	34,209.00
Juventus Estate Limited	2,306.00	2,636.71
Lucina Land Development Limited	18,480.92	20,025.00
Makala Infrastructure Limited	27.81	27.81
Selene Constructions Limited	24.45	1,176.66
Sophia Real Estate Limited	5.00	1,214.44
Sentia Infrastructure Limited	6,000.00	-
Sylvanus Properties Limited	-	10.00

#Till 1 November 2019

Note 8 also suffice the requirements of schedule V (for investments) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to investments.

Note – 41
Contingent liabilities and commitments

As per the policy at each year end, the Company assesses the possible future outcome of the matters disputed with Direct tax, Indirect Tax and other Regulatory authorities. The assessment is made after considering the facts of the case and applicable statutory provisions. Apart from the cases where possibility of a negative outcome is remote are either provided for or disclosed as contingent liability as per management's assessment.

A. Summary of contingent liabilities

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Contingent liabilities		
i) Corporate guarantees issued by the Company on behalf of subsidiary companies (refer note 40)	68,491.27	61,923.92
ii) Corporate guarantees issued by the Company on behalf of other entities	26.48	5,084.06
iii) Income tax demand (pending in appeals)*	1,118.25	1,257.91
iv) Service tax demand	2,714.25	2,714.25

* Out of this, ₹ 558.63 lakhs (31 March 2020: ₹ 698.28) pertains to Mariana Infrastructure Limited (erstwhile wholly owned subsidiary) which has been sold during the financial year 2019-20 and as per definitive agreement, any tax demands relating to periods prior to the date of definitive agreement shall be borne by the Company.

Legal Case :

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's Management reasonably expects that these legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Company's results of operations or financial condition.

B. Commitments

The Company has undertaken to provide Continued financial supports to certain subsidiaries as and when required.

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Note – 42

Lease related disclosures as per Ind AS 116

During the financial year 2019-20, the Company had leases for office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company has presented its right-of-use assets in in the balance sheet separately from other assets.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

During the financial year 2020-21, the 2 out of 3 leases for office premises were terminated between the Company and the lessors.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Short-term leases	-	0.28

B Total cash outflow for leases for the year ended 31 March 2021 was ₹ 286.93 lakhs (31 March 2020: ₹813.43 lakhs)

C Total expense recognised during the year

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
Interest on lease liabilities	56.48	217.03
Depreciation on right of use asset	340.14	893.38

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(₹ in lakhs)					
31 March 2021	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	10.19	-	-	-	10.19
Interest expense	-	-	-	-	-
Net present values	10.19	-	-	-	10.19

(₹ in lakhs)					
31 March 2020	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	816.68	834.85	187.44	-	1,838.97
Interest expense	46.97	54.73	107.68	-	209.38
Net present values	769.71	780.12	79.76	-	1,629.59

E Information about extension and termination options

31 March 2021						
Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	1	0.58	0.58	1	-	1

31 March 2020						
Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	3	1.59 to 2.44	2.09	2	-	3

F Bifurcation of lease liabilities at the end of the year in current and non-current

(₹ in lakhs)		
Particulars	31 March 2021	31 March 2020
a) Current liability (amount due within one year)	10.19	769.71
b) Non-current liability (amount due over one year)	-	859.88
Total lease liabilities at the end of the year	10.19	1,629.59

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021
Note – 43
Employee benefits
Defined contribution plan

The Company has made ₹ 0.90 lakhs (31 March 2020 - ₹ 1.94 lakhs) contribution in respect of provident fund.

Defined Benefit Plan

The Company has the following Defined Benefit Plans:

- Gratuity (Unfunded)
- Compensated absences (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the liability.
Mortality risk	Actual death and liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact liability.

Compensated absences

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of ₹ 0.30 lakhs (31 March 2020 - ₹ 0.12 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 15.00 years (31 March 2020: 14.81 years).

Actuarial (gain)/loss on obligation:
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Actuarial (gain)/loss on arising from change in financial assumptions	0.25	0.52
Actuarial (gain) on arising from change in experience adjustment	8.87	(2.02)

Amount recognised in the statement of profit and loss is as under:
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Service cost	1.23	0.60
Net interest cost	0.45	0.53
Actuarial loss/(gain) for the year	9.12	(1.50)
Expense recognized in the statement of profit and loss	10.80	(0.37)

Movement in the liability recognized in the balance sheet is as under:
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	6.47	6.84
Current service cost	1.23	0.60
Interest cost	0.45	0.53
Actuarial loss/(gain) on obligation	9.12	(1.50)
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	17.27	6.47

Bifurcation of projected benefit obligation at the end of the year in current and non-current
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
a) Current liability (amount due within one year)	0.30	0.12
b) Non-current liability (amount due over one year)	16.97	6.35
Total projected benefit obligation at the end of the year	17.27	6.47

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Compensated absences	
	31 March 2021	31 March 2020
Discount rate	6.83%	6.99%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2012 -14)

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation
(₹ in lakhs)

	Year	31 March 2021	Year	31 March 2020
a)	April 2021 – March 2022	0.30	April 2020 – March 2021	0.12
b)	April 2022 – March 2023	0.27	April 2021 – March 2022	0.11
c)	April 2023 – March 2024	0.28	April 2022 – March 2023	0.12
d)	April 2024 – March 2025	0.28	April 2023 – March 2024	0.12
e)	April 2025 – March 2026	0.28	April 2024 – March 2025	0.13
f)	April 2026 – March 2027	0.29	April 2025 – March 2026	0.14
g)	April 2027 onwards	15.57	April 2026 onwards	12.69

Sensitivity analysis for compensated absences liability
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	17.27	6.47
a) Impact due to increase of 0.50 %	(0.77)	(0.37)
b) Impact due to decrease of 0.50 %	0.80	0.39
Impact of the change in salary increase		
Present value of obligation at the end of the year	17.27	6.47
a) Impact due to increase of 0.50 %	0.81	0.40
b) Impact due to decrease of 0.50 %	(0.77)	(0.37)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 15.00 years (31 March 2020: 14.81 years)

Actuarial (gain)/loss on obligation:
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Actuarial (gain)/loss on arising from change in demographic assumption	-	(0.01)
Actuarial (gain)/loss on arising from change in financial assumptions	0.43	1.49
Actuarial (gain) on arising from change in experience adjustment	11.96	(15.31)
Actuarial gain recognized in the other comprehensive income	12.39	(13.83)

Amount recognised in the statement of profit and loss is as under:
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Service cost	0.66	1.31
Net interest cost	1.41	2.46
Expense recognized in the statement of profit and loss	2.07	3.77

Movement in the liability recognized in the balance sheet is as under:
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	20.17	31.84
Current service cost	0.66	2.46
Interest cost	1.41	1.31
Actuarial gain on obligation	12.39	(13.83)
Benefit paid	(6.90)	(1.61)
Present value of defined benefit obligation at the end of the year	27.73	20.17

Bifurcation of projected benefit obligation at the end of the year in current and non-current
(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
a) Current liability (amount due within one year)	0.70	2.52
b) Non-current liability (amount due over one year)	27.03	17.65
Total projected benefit obligation at the end of the year	27.73	20.17

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2021	31 March 2020
Discount rate	6.83%	6.99%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2012 -14)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation

(₹ in lakhs)

	Year	31 March 2021	Year	31 March 2020
a)	April 2021 – March 2022	0.70	April 2020 – March 2021	2.58
b)	April 2022 – March 2023	0.45	April 2021 – March 2022	0.34
c)	April 2023 – March 2024	0.44	April 2022 – March 2023	0.35
d)	April 2024 – March 2025	0.45	April 2023 – March 2024	0.35
e)	April 2025 – March 2026	0.44	April 2024 – March 2025	0.38
f)	April 2026 – March 2027	0.45	April 2025 – March 2026	0.40
g)	April 2027 onwards	24.80	April 2026 onwards	35.13

Sensitivity analysis for gratuity liability

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	27.73	20.17
a) Impact due to increase of 0.50 %	(1.32)	(1.05)
b) Impact due to decrease of 0.50 %	1.41	1.14
Impact of the change in salary increase		
Present value of obligation at the end of the year	27.73	20.17
a) Impact due to increase of 0.50 %	0.47	0.66
b) Impact due to decrease of 0.50 %	(0.43)	(0.60)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Note – 44
Share based payments
Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II)

During the year ended 31 March 2009, the Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, the Company issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at 29 January 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 31 January 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2021	31 March 2020
Opening balance	126,000	165,000
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	48,000	39,000
Closing balance	78,000	126,000
Vested and exercisable	78,000	126,000

Weighted average share exercised price during the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ Nil)

The fair value of the option under Plan II using the black scholes model, based on the following parameters is ₹ 62.79 per option, as certified by an independent valuer.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Particulars	Plan – II
Fair market value of option on the date of grant	₹ 62.79
Exercise price	₹ 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	10.5 Years
Expected dividend yield	3.92%
Risk free interest rate	6.50%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2010 (III)

During the year ended 31 March 2011, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 equity shares of face value of ₹2 each of the Company, accordingly the Employee Stock Option Plan - 2010 ("IBREL ESOP 2010" or "Plan-III") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as the case may be decided by the board of directors or compensation committee. During the year ended 31 March 2016, board of directors of the Company at its meeting held on 26 June 2015, re-granted (original grant was of date 14 November 2015) under the "Indiabulls Real Estate Limited Employees Stock Options Plan - 2010", 10,500,000 stock options to eligible employees of the Company and its subsidiary companies representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 54.50, being the closing market price of previous day on the National Stock Exchange of India Limited. The stock options so granted, shall vest within 5 years beginning from 26 June 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan –

Particulars	31 March 2021	31 March 2020
Opening balance	1,708,788	6,042,950
Granted during the year	-	-
Exercised during the year	-	3,983,587
Forfeited during the year	263,100	350,575
Closing balance	1,445,688	1,708,788
Vested and exercisable	1,445,688	28,668

Weighted average share exercised price during the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ 119.29)

The fair value of the option under Plan III using the black scholes model, based on the following parameters is ₹34.30 per option, as certified by an independent valuer.

Particulars	Plan – III
Fair market value of option on the date of grant	₹ 34.30
Exercise price	₹ 54.50
Expected volatility	89%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	8 Years
Expected dividend yield	3.45%
Risk free interest rate	8.03%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2011 (IV)

During the year ended 31 March 2012, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot, to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 15,000,000 in number, representing 15,000,000 equity shares of face value of ₹ 2 each, and accordingly the Employee Stock Option Scheme 2011 ("IBREL ESOS 2011") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as may be decided by the board or compensation committee. However, compensation committee of the board has not yet granted any options under IBREL ESOP 2011 Scheme.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021
Note – 45

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows. The changes in the Company's liabilities arising from financing activities can be classified as follows:

A. The changes in the Company's borrowings arising from financing activities can be classified as follows:
(₹ in lakhs)

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Interest accrued	Total
Net debt as at 1 April 2019	293,890.36	106,829.45	3,228.02	403,947.83
Proceeds from current/non-current borrowings (including current maturities)	10,114.00	315,193.00	-	325,307.00
Repayment of current/non-current borrowings (including current maturities)	(90,108.37)	(410,049.00)	-	(500,157.37)
Non-cash movement arising on account of amortisation of upfront fees and others	2,079.35	-	(2,079.35)	-
Interest expense	-	-	29,820.06	29,820.06
Interest paid	-	-	(28,415.81)	(28,415.81)
Net debt as at 31 March 2020	215,975.34	11,973.45	2,552.92	230,501.71
Proceeds from current/non-current borrowings (including current maturities)	-	279,759.05	-	279,759.05
Repayment of current/non-current borrowings (including current maturities)	(182,800.00)	(273,825.05)	-	(456,625.05)
Non-cash movement arising on account of amortisation of upfront fees and others	1,165.20	-	(1,165.20)	-
Interest expense	-	-	15,927.25	15,927.25
Interest paid	-	-	(15,558.84)	(15,558.84)
Net debt as at 31 March 2021	34,340.54	17,907.45	1,756.13	54,004.12

B. The changes in the Company's lease liabilities arising from financing activities can be classified as follows:
(₹ in lakhs)

Particulars	Amount
Lease liabilities as at 1 April 2019 (current and non-current)	2,452.25
Interest on lease liabilities	217.03
Payment of lease liabilities	(813.43)
Impact on account of termination of lease contract during the year	(226.26)
Lease liabilities as at 31 March 2020 (current and non-current)	1,629.59
Interest on lease liabilities	56.48
Payment of lease liabilities	(286.93)
Impact on account of termination of lease contract during the year	(1,388.95)
Lease liabilities as at 31 March 2021 (current and non-current)	10.19

Note – 46
Segment reporting

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. purchase, sale, real estate properties advisory, construction and development of real estate properties and all other related activities which as per Ind AS 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company derives its major revenues from real estate properties advisory business (largely from related parties). The Company is operating in India which is considered as a single geographical segment.

Note – 47

During the previous year 31 March 2020, the Company had received the approval of the National Company Law Tribunal ('Hon'ble NCLT'), Principal Bench, New Delhi to the Scheme of Arrangement ('the Scheme') between Indiabulls Real Estate Limited ('petitioner/transferee company'), India Land and Properties Limited ('transferor company'), Kosmo One Indiabulls Business Park Limited (Formerly known as Indiabulls Infrastructure Limited) ('resulting company') and their respective shareholders and creditors, pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Company has filed the Scheme with Registrar of Companies ('ROC') on 19 March 2020. In pursuant to the Scheme, the Company has acquired redeemable preference shares amounting to ₹ 45,000.00 lakhs issued by one of the wholly owned subsidiary of the Company and other assets amounting to ₹ 1,520.00 lakhs from the transferor company. The approval of the Scheme was part of overall transaction to divest 100% stake in resulting company (owning Chennai assets). Further, the Company has also valued the remaining stake in resulting company (classified as assets held for sale) at fair value of ₹ 9,000.12 lakhs and thus, recognised net gain on the said transaction amounting to ₹ 24,313.64 lakhs in these financial statements.

Note – 48

During the previous year ended 31 March 2020, the Company had got a fixed consideration amounting to ₹13,707.00 lakhs to the Company as full and final settlement against one of its projects. As a result of this, the Company had surrendered and relinquished all its rights, titles and interest of any nature in respect of the said project. Accordingly, the Company has recognized revenue of ₹ 13,707.00 lakhs and written off the carrying cost of the inventory of ₹ 7,042.57 as cost of sales in these standalone financial statements.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021****Note – 49**

During the previous year ended 31 March 2020, the Board of Directors (‘the Board’) of the 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 Company. The Board had 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. Additionally, Embassy has also reached at an advanced stage of discussions with certain foreign financial investors (‘investors’) for an investment of up to USD 200 million.

Subsequently in the Current year, the Board of Directors of the Company had considered and approved the proposal of merger of NAM Estates Private Limited (‘NAM Estates’) and Embassy One Commercial Property Development Private Limited (‘NAM Opco’) both Embassy group entities with the Company (‘Amalgamation’). The proposed Amalgamation will be achieved through a cashless composite scheme of amalgamation of NAM Estates and NAM Opco into the Company, in accordance with Section 230-232 of the Companies Act, 2013 read with the rules framed thereunder, as amended, and the Securities and Exchange Board of India circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017, as amended and other applicable regulations and provisions, subject to necessary statutory and other approvals (‘Scheme’). Upon effectiveness of the Scheme, the Company will issue its equity shares, in accordance with the approved share swap ratios, to the shareholders of NAM Estates and NAM Opco, which will include Embassy promoter and promoter entities, Embassy institutional investors and other shareholders. For the proposed Amalgamation and arriving to share swap ratio, IBREL is valued at Rs 92.50 per share.

During the year, the Scheme has been granted approval by Competition Commission of India (‘CCI’) and SEBI/Stock exchanges.

Note – 50

The Company has already obtained approval of Board of Directors (‘the Board’) to buy-back up to 5 crore fully paid-up equity shares of face value Rs. 2 each of the Company, representing approximately 11% of its total existing paid-up equity capital, at Rs. 100 per equity share, aggregating to total buyback size of Rs. 50,000 lakhs, through the ‘Tender Offer’ route, as prescribed under SEBI (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as amended (hereinafter referred to as the ‘Buyback’), post completion of on-going scheme of arrangement of Chennai assets, which has been filed by the Company with Registrar of Companies on 19 March 2020, the Company is now eligible to launch the buy-back and hence the Board constituted Buyback Committee and has advised the Company’s management to initiate the process of obtaining Company’s shareholders approval through the process of postal ballot to implement the proposed buy-back. The proposed buy-back has been withdrawn by the board during the current financial year.

Note – 51

The pandemic of Corona Virus (COVID-19) has caused unprecedented havoc to the economic activity all around the Globe. The complete lock down announced on 24 March 2020 by the Government of India brought the wheels of economic activity to a grinding halt. The operations are slowly and gradually resuming and expected to reach pre – COVID 19 level in due course of time. The Company is continuously and closely observing the unfolding situation and will continue to do so. The Company has considered the possible impact of COVID-19 in preparing the financial statements including the recoverable value of its assets and its liquidity position based on internal and external information up to the date of approval of these financial statements

Note – 52

As at 31 March 2021, the Company’s financial assets are more than 50 per cent of its total assets (netted of by intangible assets) and income from financial assets is more than 50 per cent of the gross income of the Company. However, basis consolidated financial position, the Company’s financial assets and income from financial assets does not meet the said criteria. The Company was incorporated with an objective of carrying on the business of construction and development of real estate properties and has been carrying the above business in line with the objects clauses stated in its articles of association. Accordingly, the Management basis the legal opinion obtained from an independent legal expert believes that the principal business of the Company is not that of Non-Banking Financial Company and hence it is not required to obtain certificate of registration as a Non-Banking Financial Company under section 45IA of the Reserve Bank of India Act, 1934.

Note – 53**A. Disaggregation of revenue**

Set out below is the disaggregation of the Company’s revenue from contracts with customers:

(₹ in lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from contracts with customers		
Revenue on account of settlement of existing project	-	13,707.00
Revenue from real estate properties advisory and management services	-	1,170.83

B. Contract balances

There is no contract assets and liabilities from contract with customers:

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Note – 54

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Company could be material. The Company will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2021

Note – 55

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

For and on behalf of the board of directors

Prakash Agarwal

Partner

Membership No. 084964

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Mehul Johnson

Joint Managing Director

[DIN: 00016075]

Place: New Delhi

Date: 23 April 2021

Place: New Delhi

Date: 23 April 2021

Place: Mumbai

Date: 23 April 2021

Anil Mittal

Chief Financial Officer

Place: Gurugram

Date: 23 April 2021

Ravi Telkar

Company Secretary

Place: Mumbai

Date: 23 April 2021

Independent Auditor's Report

To the Members of Indiabulls Real Estate Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Indiabulls Real Estate Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 52 of the standalone financial statements, which describes the uncertainties due to the outbreak of Covid-2019 pandemic and the management's evaluation of the same on the standalone financial statements of the Company as at the balance sheet date. In view of these uncertainties, the impact on the Company's standalone financial statements is significantly dependent on future developments.

Our opinion is not modified in respect of this matter.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Accounting for demerger scheme Refer note 47 to the standalone financial statements for the detailed impact of the Scheme. In the previous year, the Company had executed a definitive transaction document to divest its 100% stake in tranches in one of its wholly owned subsidiary and as part of said transaction, the Company had divested partial stake (through sale and buy back) which had resulted in loss of control. In previous year, investment held for remaining stake amounting to ₹ 34,706.33 lakhs was classified as 'Investments held for sale'. In parallel, the Company had also filed composite scheme of arrangement ('the Scheme') whereby step down subsidiary of the said wholly owned subsidiary will be demerged into 'demerged undertaking' and 'residual transferor company' and residual transferor company will then merge into the Company. The Scheme was also a part of definitive transaction document. It was also agreed that, the Holding Company will transfer the 'Investments held for sale' once the Scheme is approved and accounted. As described in note 47 to the standalone financial statements, National Company Law Tribunal ('NCLT') approved the Scheme on 03 March 2020, which has been filed with Registrar of Companies on 19 March 2020. Accordingly, the Holding Company has recognised the assets acquired i.e. redeemable preference shares and income tax assets amounting to ₹ 45,000.00 lakhs and ₹ 1,520.00 lakhs in standalone financial statements. Further, the Company has also adjusted/revalued 'Investments held for sale' and recognized a net gain on settlement of overall transaction amounting to ₹ 21,406.90 lakhs in standalone financial statements as presented under note 27. The above transaction required audit focus due to complex contractual terms and due to the significant impact on standalone financial	Our audit procedures to assess the appropriateness of the accounting treatment of the Scheme and overall transaction, included, but were not limited to the following: • Understood the nature of transaction i.e. understanding of the contract terms of definitive transaction document for the proposed accounting treatment in relation to the accounting policies and relevant Ind AS; • Obtained and read the Scheme and final order passed by NCLT; • Tested the appropriateness of management's control over ensuring completeness of conditions precedent to the transactions before recording the transactions; • Reviewed the management's process for review and implementation of such transactions; • Understood from the management, the accounting treatment prescribed in the approved Scheme including the determination of effective date; • Tested the completeness and accuracy of the data used in the computation of net gain on the settlement of overall transaction; and • Ensured appropriate disclosures in the standalone financial statements with respect to the Scheme and overall transaction.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

Key audit matter	How our audit addressed the key audit matter
statement. The matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	
Impairment assessment of investments and loans made to its subsidiaries The Company's policies on the impairment assessment of the investments and loans is set out in Note 4.12 to the standalone financial statements. The Company has investments amounting to ₹ 374,565.05 lakhs (net of impairment) and has outstanding loans amounting to ₹ 444,302.40 lakhs (net of impairment) to its subsidiaries as at 31 March 2020 as disclosed under the Note 8A and 9B to the standalone financial statements. Impairment assessment of these investments and loans is considered as a significant risk as there is a risk that recoverability of the investments and loans could not be established, and potential impairment charge might be required to be recorded in the standalone financial statements. The recoverability of these investments is inherently subjective due to reliance on either the net worth of investee or valuations of the properties held or cash flow projections of real estate properties in these investee companies. However, due to their materiality in the context of the Company's standalone financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	Our procedures in relation to the impairment assessment of investments and loans included, but not limited to the following: • Assessed the appropriateness of the Company's accounting policy by comparing with applicable Ind AS; • We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing; • Enquired of the management and understood the internal controls related to completeness of the list of loans and investment along with the process followed to recover/adjust these and assessed whether further provisioning is required; • Performed test of details: a. For all significant additions made during the year, underlying supporting documents were verified to ensure that the transaction has been accurately recorded in the standalone financial statement; b. For all significant investments and loans outstanding as at 31 March 2020, confirmations were circulated and received. Further, all the significant reconciling items were tested; c. All material investments and significant loans as at 31 March 2020 were discussed on case to case basis with the management for their plan of recovery/adjustment; d. Compared the carrying value of material investments and significant loans to the net assets of the underlying entity, to identify whether the net assets, being an approximation of their minimum recoverable amount, were in excess of their

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

Key audit matter	How our audit addressed the key audit matter
	carrying amount; and e. Wherever the net assets were lower than the recoverable amount, for material amounts: i. We obtained and verified the management certified cash flow projections of real estate properties and tested the underlying assumptions used by the management in arriving at those projections; ii. We challenged the managements on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; iii. We obtained and verified the valuation of land parcels as per the government prescribed circle rates; and iv. We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.

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Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

Information other than the Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those charged with governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements system in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

Report on Other Legal and Regulatory Requirements

16. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
17. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
18. Further to our comments in Annexure A, as required by section 143(3) of the Act, bases on our audit, we report, to the extent applicable, that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
 - f) the matter described in paragraph 4 under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company;
 - g) we have also audited the internal financial controls with reference to financial reporting (IFCoFR) of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 14 May 2020 as per Annexure B expressed unmodified opinion; and
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 41A to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and

Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Sharma

Partner

Membership No.: 502103

UDIN: 20502103AAAAAY9865

Place: New Delhi

Date: 14 May 2020

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and intangible assets.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The lease deeds of all the immovable properties (which are included under the head 'right of use assets') are held in the name of the Company. The Company does not hold any immovable property (in the nature of 'property, plant and equipment').
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has granted interest free as well as interest bearing unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
 - (b) the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount and the interest are regular, except for the loans given to the companies which are interest free; and
 - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2020

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and goods and services tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Disallowance under section 14A	146.26	-	Assessment Year 2009-10	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	161.88	-	Assessment Year 2010-11	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	213.05	-	Assessment Year 2011-12	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	38.43	-	Assessment Year 2013-14	Income Tax Appellate Tribunal
The Finance Act, 2004 and Service tax rules	Denial of service tax input credit	1,695.25	-	Assessment year 2011-12 to 2014-15	Assistant Commissioner of Service Tax
The Finance Act, 2004 and Service tax rules	Denial of service tax input credit	1,019.00	-	Assessment year 2016-17 to June 2017	Deputy Commissioner of Service Tax

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or any dues to debenture holders during the year. The Company did not have any loans or borrowings payable to financial institution or government during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, The Company has applied moneys raised by way of the term loans for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2020

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) As detailed in Note 53 to the financial statements, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 20502103AAAAAY9865

Place: New Delhi
Date: 14 May 2020

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Indiabulls Real Estate Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited on the standalone financial statements for the year ended 31 March 2020

assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 20502103AAAAAY9865

Place: New Delhi
Date: 14 May 2020

Indiabulls Real Estate Limited
Balance sheet as at 31 March 2020

	Note	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
I ASSETS			
Non-current assets			
Property, plant and equipment	5	164.06	221.12
Right of use assets	6	1,849.40	-
Intangible assets	7	-	1.66
Financial assets			
Investments	8 A	383,804.89	609,712.33
Loans	9 A	1,129.22	1,290.22
Other financial assets	10 A	5,048.00	16,920.24
Deferred tax assets (net)	11	308.69	3,838.58
Non-current tax assets (net)	12	11,322.85	10,666.87
Other non-current assets	13 A	1.91	58.85
		403,629.02	642,709.87
Current assets			
Inventories	14	90.19	7,132.76
Financial assets			
Investments	8 B	1.12	1.04
Trade receivables	15	-	589.36
Cash and cash equivalents	16	1,480.71	2,648.73
Other bank balances	17	24,147.88	5,970.75
Loans	9 B	445,530.84	369,207.25
Other financial assets	10 B	1.01	2.03
Other current assets	13 B	1,313.68	2,911.79
Assets held for sale	18	9,003.87	34,706.36
		481,569.30	423,170.07
		885,198.32	1,065,879.94
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	19 A	9,093.28	9,013.61
Other equity	20	635,843.50	645,162.54
		644,936.78	654,176.15
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21 A	46,201.50	210,143.94
Lease liabilities	22 A	859.88	-
Provisions	23 A	24.00	33.30
		47,085.38	210,177.24
Current liabilities			
Financial liabilities			
Borrowings	21 B	11,973.45	106,829.45
Lease liabilities	22 B	769.71	-
Other financial liabilities	24	179,780.57	87,914.53
Other current liabilities	25	202.94	6,777.19
Provisions	23 B	2.64	5.38
Current tax liabilities (net)	26	446.85	-
		193,176.16	201,526.55
		885,198.32	1,065,879.94

Summary of significant accounting policies

4

The accompanying notes are an integral part of the standalone financial statements

This is the standalone balance sheet referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma

Partner

Membership No. 502103

Place: New Delhi

Date: 14 May 2020

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Place: New Delhi

Date: 14 May 2020

Vishal Gaurishanker Damani

Joint Managing Director

[DIN: 00358082]

Place: Mumbai

Date: 14 May 2020

Anil Mittal

Chief Financial Officer

Place: Gurugram

Date: 14 May 2020

Ravi Telkar

Company Secretary

Place: Mumbai

Date: 14 May 2020

Indiabulls Real Estate Limited
Statement of profit and loss for the year ended 31 March 2020

	Note	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Revenue			
Revenue from operations	27	36,284.73	11,707.20
Other income	28	27,216.87	25,051.19
Net gain on de-recognition of financial asset carried at amortised cost (refer note 52)		-	18,713.45
		63,501.60	55,471.84
Expenses			
Cost of revenue	29	7,042.57	-
Employee benefits expense	30	208.30	633.51
Finance costs	31	30,160.25	33,042.13
Depreciation and amortisation expense	32	960.76	83.78
Impairment losses on financial assets	33 A	14,952.41	-
Other expenses	33 B	15,230.54	6,709.79
		68,554.83	40,469.21
(Loss)/profit before tax		(5,053.23)	15,002.63
Tax expenses	34		
Current tax reversal - earlier years (refer note 49)		(44.02)	-
Deferred tax charge		3,526.41	4,401.44
		3,482.39	4,401.44
(Loss)/profit after tax		(8,535.62)	10,601.19
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Net loss on equity instruments through other comprehensive income		(2,957.18)	(5,366.73)
Re-measurement gains on defined benefit plans		13.83	0.53
Income tax effect		(3.48)	(0.18)
Other comprehensive income		(2,946.83)	(5,366.38)
Total comprehensive income for the year		(11,482.45)	5,234.81
Earnings per equity share	35		
Basic (₹)		(1.88)	2.32
Diluted (₹)		(1.88)	2.32

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements

This is the standalone statement of profit and loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No. 502103

Place: New Delhi
Date: 14 May 2020

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Place: New Delhi
Date: 14 May 2020

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Mumbai
Date: 14 May 2020

Anil Mittal
Chief Financial Officer

Place: Gurugram
Date: 14 May 2020

Ravi Telkar
Company Secretary

Place: Mumbai
Date: 14 May 2020

Indiabulls Real Estate Limited
Cash flow statement for the year ended 31 March 2020

	31 March 2020	31 March 2019
	(₹ in lakhs)	(₹ in lakhs)
A Cash flow from operating activities:		
(Loss)/profit before tax	(5,053.23)	15,002.63
<i>Adjustments for:</i>		
Interest on income tax	1.16	2.14
Interest on borrowings	29,820.06	32,779.96
Depreciation and amortisation expenses	960.76	83.78
Interest on lease liabilities	217.03	-
Other borrowing costs	122.00	260.03
Profit on sale of property, plants and equipment (net)	(0.77)	(1.32)
Excess provision/liabilities written back	(294.63)	(70.16)
Loans and non current investment written off	10,131.36	105.00
Impairment in value of investments	849.03	3,661.00
Impairment in value of other financial and non-financial assets	5,696.05	-
Interest income	(26,159.11)	(20,888.37)
Provision for employee benefits	1.79	6.49
Share based payment expense	54.08	237.39
Income on fair valuation of financial assets	(0.08)	(0.04)
Net gain on de-recognition of financial asset carried at amortised cost	-	(18,713.45)
Mark to market loss/(gain) on forward contracts	2,423.31	(3,242.41)
Loss/(profit) on sale of investments (net)	7,468.27	(10,607.22)
Modification gain on de-recognition of lease contracts	(13.73)	-
Net gain on settlement through merger scheme and fair value impact of assets held for sale	(21,406.90)	-
Operating profit/(loss) before working capital changes and other adjustments:	4,816.45	(1,384.55)
<i>Working capital changes and other adjustments:</i>		
Inventories	7,042.57	-
Trade receivables	589.36	(404.17)
Current and non-current loans	16.67	(17.85)
Others current and non-current assets	567.61	(874.41)
Other current and non-current financial assets	820.12	0.10
Other current financial liabilities	1,699.36	(241.91)
Other current liabilities	(6,574.25)	6,495.25
Cash flow from operating activities	8,977.89	3,572.46
Income taxes refund/(paid) (net)	2,160.12	(975.19)
Net cash flow from operating activities	11,138.01	2,597.27
B Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(9.13)	(83.25)
Proceeds from sale of property, plant and equipment	1.24	1.34
Movement in fixed deposits (net)	(14,547.30)	(9,312.73)
Proceeds from sale of investments - mutual funds (net)	668.58	29,257.47
Share application money given	-	(5,000.00)
Investment in subsidiary companies		
Purchase of investments - equity shares	(42,500.00)	(12,332.58)
Purchase of investments - debentures	-	(6.41)
Purchase of investments - preference shares	(1,891.00)	-
Purchase of investments - others	(0.10)	-
Sale of investment in subsidiary companies		
Proceeds from sale and buyback of investments - equity shares	248,759.09	29,799.55
Proceeds from sale of investments in joint ventures companies and others - equity shares	19,500.64	-
Proceeds from sale of investments - debentures	45,815.06	-
Proceeds from redemption of investments - preference shares and debentures	0.01	25,177.00
Inter-corporate loans and advances given to subsidiary companies (net)	(98,230.00)	(73,650.67)
Inter-corporate loans and advances received back/(given to) joint ventures (net)	8,370.59	(8,370.59)
Inter-corporate loans and advances given to others (net)	(1,081.23)	-
Interest received	24,868.07	21,449.76
Net cash flow from/(used in) investing activities	189,724.52	(3,071.11)

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	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
C Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	2,171.05	1,093.36
Buyback of equity shares	-	(44,766.26)
Proceeds from borrowings from banks	10,114.00	98,000.00
Repayment of borrowings to banks	(14,108.37)	(10,013.77)
Proceeds from issue of debentures	-	49,732.00
Redemption of debentures	(76,000.00)	(68,500.00)
Proceeds from issue of commercial paper	101,500.00	423,000.00
Repayment of commercial paper	(198,000.00)	(414,000.00)
Inter-corporate borrowings taken	213,693.00	386,752.20
Inter-corporate borrowings repaid	(212,049.00)	(386,835.25)
Interest paid on borrowings	(28,415.81)	(32,399.66)
Payment of lease liabilities (inclusive of interest paid amounting to ₹ 217.03 lakhs)	(813.43)	-
Other borrowing costs	(121.99)	(260.03)
Net cash (used in)/flow from financing activities	(202,030.55)	1,802.59
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	(1,168.02)	1,328.75
E Cash and cash equivalents at the beginning of the year (refer note a below)	2,648.73	1,319.98
F Cash and cash equivalents at the end of the year (D+E)	1,480.71	2,648.73
	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note:		
a) Cash and cash equivalents includes (refer note 16):		
Cash on hand	0.09	0.12
Balances with banks		
In current accounts	1,480.62	2,648.61
	1,480.71	2,648.73

This is the standalone cash flow statement referred to in our report of even date.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of board of directors

Neeraj Sharma

Partner

Membership No. 502103

Place: New Delhi

Date: 14 May 2020

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Place: New Delhi

Date: 14 May 2020

Vishal Gaurishanker Damani

Joint Managing Director

[DIN: 00358082]

Place: Mumbai

Date: 14 May 2020

Anil Mittal

Chief Financial Officer

Place: Gurugram

Date: 14 May 2020

Ravi Telkar

Company Secretary

Place: Mumbai

Date: 14 May 2020

Indiabulls Real Estate Limited
Statement of changes in equity for the year ended 31 March 2020

A Equity share capital*

(₹ in lakhs)

Particulars	Balance as at 1 April 2018	Issue of equity share capital during the year	Buyback of equity share capital during the year	Balance as at 31 March 2019	Issue of equity share capital during the year	Balance as at 31 March 2020
Equity share capital	9,493.48	40.13	(520.00)	9,013.61	79.67	9,093.28

B Other equity**

(₹ in lakhs)

Description	Reserves and surplus							Other comprehensive income	Total
	General reserve	Capital reserve	Debenture redemption reserve	Capital redemption reserve	Share options outstanding account	Securities premium	Retained earnings	Fair valuation of equity instruments	
Balance as at 1 April 2018	51,265.03	27,720.50	26,125.00	1,680.92	2,385.17	577,188.04	(8,376.29)	4,781.08	682,769.45
Profit for the year	-	-	-	-	-	-	10,601.19	-	10,601.19
Other comprehensive income									
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	0.35	-	0.35
Net loss on equity instruments through other comprehensive income (net of tax)	-	-	-	-	-	-	-	(5,366.73)	(5,366.73)
Share based options for employees of subsidiaries	-	-	-	-	113.92	-	-	-	113.92
Issue of equity shares (including exercise of stock options)	-	-	-	-	(784.81)	1,838.04	-	-	1,053.23
Buy back of equity shares	-	-	-	-	-	(44,246.26)	-	-	(44,246.26)
Transfer from retained earnings on account of buyback of equity shares	-	-	-	520.00	-	-	(520.00)	-	-
Transfer from retained earnings on account of creation of debenture redemption reserve	-	-	937.50	-	-	-	(937.50)	-	-
Share based payment expense	-	-	-	-	237.39	-	-	-	237.39
Balance as at 31 March 2019	51,265.03	27,720.50	27,062.50	2,200.92	1,951.67	534,779.82	767.75	(585.65)	645,162.54
Loss for the year	-	-	-	-	-	-	(8,535.62)	-	(8,535.62)
Other comprehensive income									
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	10.35	-	10.35
Net loss on equity instruments through other comprehensive income (net of tax)	-	-	-	-	-	-	-	(2,957.18)	(2,957.18)
Share based options for employees of subsidiaries	-	-	-	-	17.93	-	-	-	17.93
Issue of equity shares (including exercise of stock options)	-	-	-	-	(1,366.37)	3,457.75	-	-	2,091.38
Share based payment expense	-	-	-	-	54.10	-	-	-	54.10
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(19.33)	-	19.33	-	-
Balance as at 31 March 2020	51,265.03	27,720.50	27,062.50	2,200.92	638.00	538,237.57	(7,738.19)	(3,542.83)	635,843.50

*Refer note 19.A for details

**Refer note 20 for details

This is the standalone statement of changes in equity referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No. 502103

Place: New Delhi
Date: 14 May 2020

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Place: New Delhi
Date: 14 May 2020

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Mumbai
Date: 14 May 2020

Anil Mittal
Chief Financial Officer

Place: Gurugram
Date: 14 May 2020

Ravi Telkar
Company Secretary

Place: Mumbai
Date: 14 May 2020

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. Nature of principal activities

Indiabulls Real Estate Limited ('the Company') was incorporated on 04 April 2006 with the main objects of carrying on the business of real estate properties advisory, properties marketing, maintenance of completed properties, engineering, industrial and technical consultancy, construction and development of real estate properties and other related and ancillary activities. The Company is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi – 110001.

2. General information and statement of compliance with Ind AS

These standalone financial statements ("financial statements") of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ("MCA")), as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 14 May 2020. The revisions to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of accounting

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

4.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

4.2 Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Asset class	Useful life
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

4.3 Intangible assets

Recognition and initial measurement

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period in the four years from the date of its acquisition.

De-recognition

Intangible assets are de-recognised upon disposal or when no further economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is de-recognised.

4.4 Asset held for sale

Non-current assets are classified as held for sale if their sale is considered highly probable. They are measured at fair value less cost to sell.

4.5 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

4.6 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Revenue on account of settlement of existing project

Revenue from such settlement is recognised in the year in which the underlying executed documents are received and there exists no uncertainty in the ultimate collection of consideration.

Revenue from real estate properties advisory and management services

Income arising from real estate properties advisory services is recognised in the period in which the services are being rendered. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying business

Profit on sale of investments of entities in the real estate business is recognised when such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business. However, in case of loss on sale of such investments, the same is recognised as part of other expense.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Gain on amortised cost financial assets

Gain on de-recognition of amortised cost financial assets is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

4.8 Right of use assets and lease liabilities

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 42). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

4.9 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

4.10 Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss when they arise.

4.11 Investments

Investment in equity instruments of subsidiaries and joint ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

4.12 Financial instruments

Non-derivative financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

- i. **Debt instruments at amortised cost** – A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Equity investments** – All equity investments in scope of ‘Ind AS 109 Financial Instruments’ (‘Ind AS 109’) are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).
- iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income).

Non-derivative financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income). The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Derivatives

The Company has entered into certain forward (derivative) contracts to hedge risks. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense for the period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.13 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

4.14 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

4.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.16 Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of real estate properties under development, as the case may be. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Defined benefit plan

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.17 Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefit expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

4.18 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

4.19 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.20 Significant management judgement and estimates in applying accounting policies

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Classification of leases – The Company enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Defined benefit obligation (DBO) – Management’s estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Note - 5
Property, plant and equipment

(₹ in lakhs)

	Plant and equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Gross block						
As at 1 April 2018	1,246.81	32.62	40.51	218.31	551.61	2,089.86
Additions	-	3.57	3.29	11.05	61.09	79.00
Disposals/adjustments	41.95	1.20	1.86	-	10.54	55.55
As at 31 March 2019	1,204.86	34.99	41.94	229.36	602.16	2,113.31
Additions	-	4.79	-	4.34	-	9.13
Disposals/adjustments	-	-	-	-	164.37	164.37
Balance as at 31 March 2020	1,204.86	39.78	41.94	233.70	437.79	1,958.07
Accumulated depreciation						
As at 1 April 2018	1,228.45	21.59	35.45	117.16	468.42	1,871.07
Charge for the year	12.36	5.91	4.43	25.38	28.57	76.65
Disposals/adjustments	41.95	1.18	1.86	-	10.54	55.53
As at 31 March 2019	1,198.86	26.32	38.02	142.54	486.45	1,892.19
Charge for the year	3.84	5.25	2.15	25.33	29.15	65.72
Disposals/adjustments	-	-	-	-	163.90	163.90
Balance as at 31 March 2020	1,202.70	31.57	40.17	167.87	351.70	1,794.01
Net block as at 31 March 2019	6.00	8.67	3.92	86.82	115.71	221.12
Net block as at 31 March 2020	2.16	8.21	1.77	65.83	86.09	164.06

Note - 6
Right of use assets (refer note 42)

(₹ in lakhs)

	Building	Total
Gross block		
As at 1 April 2019	2,672.55	2,672.55
Adjustments during the year	289.25	289.25
De-recognition on account of early termination of lease contract	289.54	289.54
Balance as at 31 March 2020	2,672.26	2,672.26
Accumulated depreciation		
As at 1 April 2019	-	-
Charge for the year	893.38	893.38
De-recognition on account of early termination of lease contract	70.52	70.52
Balance as at 31 March 2020	822.86	822.86
Net block as at 31 March 2020	1,849.40	1,849.40

Note - 7
Intangible assets

(₹ in lakhs)

	Softwares	Total
Gross block		
As at 1 April 2018	368.62	368.62
Additions	-	-
As at 31 March 2019	368.62	368.62
Additions	-	-
Balance as at 31 March 2020	368.62	368.62
Accumulated amortisation		
As at 1 April 2018	359.83	359.83
Charge for the year	7.13	7.13
As at 31 March 2019	366.96	366.96
Charge for the year	1.66	1.66
Balance as at 31 March 2020	368.62	368.62
Net block as at 31 March 2019	1.66	1.66
Net block as at 31 March 2020	-	-

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020		31 March 2019	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Note - 8				
A Investments - non-current*				
(i) Investment in equity shares**				
Others - quoted				
RattanIndia Power Limited#	219,050,000	2,957.17	219,050,000	5,914.35
Subsidiaries - unquoted				
Airmid Developers Limited	98,039	18.00	98,039	18.00
Albasta Constructions Limited	50,000	5.00	50,000	5.00
Albasta Properties Limited	50,000	5.00	50,000	5.00
Albasta Real Estate Limited	50,000	5.00	50,000	5.00
Albina Properties Limited	50,000	5.00	50,000	5.00
Angina Properties Limited	50,000	5.00	50,000	5.00
Angles Constructions Limited	50,000	5.00	50,000	5.00
Apesh Constructions Limited	50,000	5.00	50,000	5.00
Apesh Properties Limited	50,000	5.00	50,000	5.00
Apesh Real Estate Limited	50,000	5.00	50,000	5.00
Athena Builders and Developers Limited	50,000	5.00	50,000	5.00
Athena Buildwell Limited	50,000	137.71	50,000	137.71
Athena Infrastructure Limited^^	98,039	144.73	98,039	142.76
Athena Land Development Limited	50,000	5.00	50,000	5.00
Aurora Builders and Developers Limited	50,000	5.00	50,000	5.00
Bridget Builders and Developers Limited	50,000	4,670.20	50,000	4,670.20
Catherine Builders and Developers Limited	50,000	4,251.30	50,000	4,251.30
Century Limited (face value of GBP 1 each) (Refer note (a) below)	-	-	127,052,057	114,980.28
Ceres Estate Limited	75,000,000	14,995.00	75,000,000	14,995.00
Ceres Land Development Limited	50,000	5.00	50,000	5.00
Ceres Properties Limited	50,000	5.00	50,000	5.00
Citra Developers Limited	50,000	5.00	50,000	5.00
Citra Properties Limited	98,039	14.61	98,039	14.61
Cobitis Buildwell Limited	50,000	5.00	50,000	5.00
Cobitis Real Estate Limited	50,000	5.00	50,000	5.00
Dev Property Development Plc (face value Pence 1) (Refer note (b) below)	380,428	301.00	138,000,000	109,190.44
Devona Developers Limited	50,000	5.00	50,000	5.00
Diana Infrastructure Limited	50,000	5.00	50,000	5.00
Edesia Constructions Limited	50,000	5.00	50,000	5.00
Edesia Developers Limited	50,000	5.00	50,000	5.00
Edesia Infrastructure Limited	50,000	5.00	50,000	5.00
Elena Constructions Limited	50,000	5.00	50,000	5.00
Elena Properties Limited	50,000	5.00	50,000	5.00
Fama Properties Limited	50,000	5.00	50,000	5.00
Flora Land Development Limited	50,000	5.00	50,000	5.00
Fornax Real Estate Limited	98,039	9.80	98,039	9.80
Grand Limited (face value of GBP 1 each)	1,000	0.99	1,000	0.99
Hecate Power and Land Development Limited	50,000	5.00	50,000	5.00
Hermes Builders and Developers Limited	50,000	5.00	50,000	5.00
IB Holdings Limited	50,000	5.00	50,000	5.00
Indiabulls Buildcon Limited	668,920	5,404.95	668,920	5,404.95
Indiabulls Commercial Assets Limited	50,000	5.00	50,000	5.00
Indiabulls Communication Infrastructure Limited	50,000	5.00	50,000	5.00
Indiabulls Constructions Limited^^	50,000	132.58	50,000	127.54
Indiabulls Estate Limited	3,274,734	8,353.25	3,274,734	8,353.25
Indiabulls Hotel Properties Limited	50,000	5.00	50,000	5.00
Indiabulls Housing and Constructions Limited	50,000	5.00	50,000	5.00
Indiabulls Housing and Land Development Limited	50,000	5.00	50,000	5.00
Indiabulls Housing Developers Limited	50,000	5.00	50,000	5.00
Indiabulls Industrial Infrastructure Limited^^	65,000,000	6,535.67	65,000,000	6,533.82
Balance carried forward		48,101.96		274,920.00

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020		31 March 2019	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Balance carried over		48,101.96		274,920.00
Indiabulls Infraestate Limited	227,440	162,620.95	227,440	162,620.95
Indiabulls Infratech Limited	50,000	5.00	50,000	5.00
Indiabulls Lands Limited	50,000	5.00	50,000	5.00
Indiabulls Multiplex Services Limited	50,000	67.36	50,000	67.36
Indiabulls Natural Resources Limited	50,000	5.00	50,000	5.00
Indiabulls Projects Limited	100,000,000	10,000.00	100,000,000	10,000.00
Indiabulls Real Estate Builders Limited	50,000	5.00	50,000	5.00
Indiabulls Real Estate Developers Limited	50,000	5.00	50,000	5.00
Indiabulls Realty Company Limited	50,000	5.00	50,000	5.00
Indiabulls Software Parks Limited	50,000	5.00	50,000	5.00
Ivonne Infrastructure Limited	50,000	5.00	50,000	5.00
Juventus Estate Limited^^	98,039	113.91	98,039	112.82
Lakisha Infrastructure Limited	50,000	5.00	50,000	5.00
Lakisha Real Estate Limited (Refer note (c) below)	-	-	10,000,000	1,000.00
Lenus Constructions Limited	50,000	5.00	50,000	5.00
Lenus Infrastructure Limited	50,000	5.00	50,000	5.00
Lenus Properties Limited	50,000	5.00	50,000	5.00
Linnet Constructions Limited	50,000	5.00	50,000	5.00
Linnet Developers Limited	50,000	5.00	50,000	5.00
Linnet Infrastructure Limited	50,000	5.00	50,000	5.00
Linnet Properties Limited	50,000	5.00	50,000	5.00
Linnet Real Estate Limited	50,000	5.00	50,000	5.00
Loon Infrastructure Limited	50,000	5.00	50,000	5.00
Loon Land Development Limited (Refer note (d) below)	-	-	50,000	5.00
Lorena Builders Limited	50,000	5.00	50,000	5.00
Lucina Constructions Limited	50,000	5.00	50,000	5.00
Lucina Land Development Limited^^	50,000	200.79	50,000	193.43
Mabon Constructions Limited	50,000	40.68	50,000	40.68
Mabon Properties Limited	50,000	5.00	50,000	5.00
Makala Infrastructure Limited	50,000	5.00	50,000	5.00
Manjola Infrastructure Limited	50,000	5.00	50,000	5.00
Manjola Real Estate Limited	50,000	5.00	50,000	5.00
Mariana Constructions Limited	50,000	21.12	50,000	21.12
Mariana Developers Limited	50,000	5.00	50,000	5.00
Mariana Infrastructure Limited (Refer note (c) below)	-	-	50,000	5.00
Mariana Real Estate Limited	50,000	612.99	50,000	612.99
Nilgiri Infraestate Limited	50,000	5.00	50,000	5.00
Nilgiri Infrastructure Projects Limited	50,000	5.00	50,000	5.00
Nilgiri Resources Limited	50,000	5.00	50,000	5.00
Parmida Constructions Limited	50,000	5.00	50,000	5.00
Parmida Developers Limited	50,000	5.00	50,000	5.00
Parmida Properties Limited	50,000	5.00	50,000	5.00
Selene Builders and Developers Limited	50,000	5.00	50,000	5.00
Selene Constructions Limited^^	98,039	38.29	98,039	38.41
Selene Infrastructure Limited	10,000,000	1,000.00	10,000,000	1,000.00
Selene Land Development Limited	50,000	5.00	50,000	5.00
Sentia Constructions Limited	50,000	39.00	50,000	39.00
Sentia Infrastructure Limited	50,000	5.00	50,000	5.00
Sentia Real Estate Limited	50,000	5.00	50,000	5.00
Sepset Developers Limited	50,000	5.00	50,000	5.00
Serpentes Constructions Limited	50,000	5.00	50,000	5.00
Shoxell Holding Limited (face value Euro 1)	1,040	6,995.88	1,040	6,995.88
Sophia Constructions Limited	50,000	5.00	50,000	5.00
Sophia Real Estate Limited	50,000	5.00	50,000	5.00
Sylvanus Properties Limited^^	10,000,000	1,224.81	10,000,000	1,224.05
Balance carried forward		231,272.74		459,091.69

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020		31 March 2019	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Balance carried over		231,272.74		459,091.69
Tapir Constructions Limited	50,000	5.00	50,000	5.00
Tapir Land Development Limited	50,000	5.00	50,000	5.00
Triton Estate Limited	50,000	5.00	50,000	5.00
Triton Properties Limited	50,000	5.00	50,000	5.00
Varali Constructions Limited	50,000	5.00	50,000	5.00
Varali Infrastructure Limited	50,000	1,441.22	50,000	1,441.22
Varali Properties Limited	50,000	5.00	50,000	5.00
Varali Real Estate Limited	50,000	5.00	50,000	5.00
Vindhyachal Land Development Limited	50,000	5.00	50,000	5.00
Zeus Buildwell Limited	50,000	5.00	50,000	5.00
Zeus Estate Limited	50,000	5.00	50,000	5.00
Joint ventures - unquoted				
Yashita Buildcon Limited (Refer note (f) below)	-	-	50,000	5.00
One Qube Realtors Limited (formerly Ashkit Properties Limited) (Refer note (f) below)	-	-	67,603	3,416.08
Sub-total		232,763.96		464,003.99
Less: Impairment in the value of investments		101.11		3,687.12
Sub-total (A)		232,662.85		460,316.87
(ii) Investment in trust				
Subsidiaries - unquoted				
Indiabulls Real Estate Limited - Employees Welfare Trust (Refer note (i) below)		0.10		-
Sub-total (B)		0.10		-
(iii) Investment in preference shares###				
Subsidiaries - unquoted				
Airmid Developers Limited (0.0001% compulsorily convertible preference shares)	592,664	160.43	592,664	160.43
Athena Infrastructure Limited (0.0001% compulsorily convertible preference shares)	314,099	38.63	314,099	38.63
Citra Properties Limited (0.0001% compulsorily convertible preference shares)	170,284	34.06	170,284	34.06
Fornax Real Estate Limited (0.0001% compulsorily convertible preference shares)	547,632	5,476.32	547,632	5,476.32
Indiabulls Estate Limited (14% optionally convertible preference shares)	20,633,954	0.77	20,633,954	0.77
Juventus Estate Limited (0.0001% compulsorily convertible preference shares)	355,627	117.43	355,627	117.43
Selene Constructions Limited (0.0001% compulsorily convertible preference shares)	391,519	49.23	391,519	49.23
Indiabulls Constructions Limited (0.00001% optionally convertible redeemable preference shares, face value of ₹ 10 each)	623,280,000	7,000.00	-	-
Indiabulls Constructions Limited (0.001% non-convertible redeemable preference shares, face value of ₹ 10 each) (refer note 47)	450,000,000	45,000.00	-	-
Makala Infrastructure Limited (0.001% non-convertible redeemable preference shares, face value of ₹ 10 each)	9,000,000	900.00	9,000,000	900.00
Sub-total (B)		58,776.87		6,776.87
(iv) Investment in debentures				
Subsidiaries - unquoted				
<i>Optionally convertible debentures^</i>				
Airmid Developers Limited	1,210,500	32,031.22	1,210,500	32,031.22
Athena Infrastructure Limited	642,000	7,718.94	642,000	7,718.94
Citra Properties Limited	348,500	6,813.18	348,500	6,813.18
Indiabulls Estate Limited	317,081	6,961.46	317,081	6,961.46
Juventus Estate Limited	1,096,893	27,158.96	1,096,893	27,158.96
Selene Constructions Limited	800,000	9,833.69	800,000	9,833.69
<i>Compulsorily convertible debentures</i>				
Indiabulls Infraestate Limited (face value ₹10 each and 12% coupon rate) (Refer note (g) below)	-	-	458,150,617	45,815.06
Joint ventures - unquoted				
<i>Compulsorily convertible debentures</i>				
Yashita Buildcon Limited (face value ₹10 each and Nil coupon rate) (Refer note (h) below)	-	-	100	6.41
Sub-total		90,517.45		136,338.92
Less: Impairment in the value of investments		4,435.04		-
Sub-total (C)		86,082.41		136,338.92

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020		31 March 2019	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
(v) Investment in bonds^^				
Others - unquoted				
HDFC Bank Limited (Coupon rate 8.44%)	8	878.92	8	878.41
Housing Development Finance Corporation Limited (Coupon rate 8.45%)	20	2,148.06	20	2,147.71
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	12	1,294.64	12	1,293.87
Housing Development Finance Corporation Limited (Coupon rate 8.35%)	10	1,098.82	10	1,097.97
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	7	752.21	7	751.77
LIC Housing Finance Limited (Coupon rate 8.47% and face value of ₹ 1,000,000 each)	10	110.01	10	109.94
Sub-total (D)		6,282.66		6,279.67
Grand Total (A+B+C+D)		383,804.89		609,712.33
Aggregate amount of unquoted investments (net)		380,847.72		603,797.97
Aggregate amount of quoted investments and market value		2,957.17		5,914.35
Aggregate amount of impairment in the value of investments		4,536.15		3,687.12

Notes:

- During the year, the Company has sold its entire stake in its wholly owned subsidiary, Century Limited, to a group company for an aggregate consideration of ₹ 162,102.74 lakhs and accordingly, the Company has recognized loss on sale amounting to ₹ 377.53 lakhs in these financial statements.
- During the year, a wholly owned subsidiary of the Company namely Dev Property Development Plc ('DPD') has bought back 137,619,572 shares from the Company for an aggregate consideration of ₹ 84,959.50 lakhs and accordingly, the Company has recognized loss on buyback amounting to ₹ 23,929.92 lakhs in these financial statements.
- During the year, the Company has sold its entire stake in its wholly owned subsidiary, Lakisha Real Estate Limited for an aggregate consideration of ₹ 2,079.21 lakhs and accordingly, the Company has recognised gain on sale amounting to ₹ 1,079.21 lakhs in these standalone financial statements.
- During the year, the Company has sold its entire stake in its wholly owned subsidiary, Loon Land Development Limited for an aggregate consideration of ₹ 5.00 lakhs.
- During the year, 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 ₹ 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 of ₹ 3.75 lakhs has also been classified as held for sale.
- During the year, the Company has sold the remaining stake in existing joint venture companies namely Yashita Buildcon Limited and One Qube Realtors Limited (formerly Ashkit Properties Limited) (both owning assets in Gurugram) to the entities controlled by Blackstone Group Inc. ('Purchaser') for an aggregate consideration of ₹ 19,000.00 lakhs (gross of selling expenses of ₹ 481.14 lakhs) and accordingly, the Company has recognized gain on sale amounting to ₹ 15,097.79 lakhs in these financial statements.
- During the year, these compulsory convertible debentures has been converted into 458,150,617 non-interest bearing optionally convertible debentures (OCD's) of face value of ₹ 10 each and subsequent to this change, the Company has early redeemed these OCD's at face value.
- During the year, these compulsory convertible debentures has been converted into 100 optionally convertible debentures (OCD's) of face value of ₹ 10 each and subsequent to this change, the Company has early redeemed these OCD's at face value.
- During the year, the Company has set up an employees welfare trust titled "Indiabulls Real Estate Limited – Employees Welfare Trust" (the "Trust") to efficiently manage the current as well as any future share based employees benefits schemes.

*All the investment in subsidiaries and joint ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'

**Face value of ₹ 10 each unless otherwise stated.

#This investment (being strategic in nature) is measured at fair value through other comprehensive income ('FVOCI'). The above values represents the fair values as at the end of the respective reporting period. No dividends have been received from such investments during the year.

Face value of ₹ 1,000 each unless otherwise stated

^ Face value of ₹ 1,000 each and coupon rate is 0.0001%, unless otherwise stated

^^Face value of ₹ 10,000,000 each unless otherwise stated

^^^The investments include the investment booked for subsidiaries on account of stock options issued to employees of those subsidiaries

	31 March 2020		31 March 2019	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
B Investments - current				
Investment in mutual funds (quoted)				
Indiabulls Savings Fund - Direct Plan-Growth		1.12		1.04
[100 units (31 March 2019: 100 units)]				
		1.12		1.04
		1.12		1.04
Aggregate amount of quoted investments and market value		1.12		1.04

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 9		
A Loans - non current		
Loans receivables considered good - unsecured		
Security deposits given to joint ventures (refer note 40)	-	1,260.46
Security deposits given to others	1,129.22	29.76
	1,129.22	1,290.22
B Loans - current		
Loans receivables considered good - unsecured		
Security deposits	20.00	21.40
Inter-corporate loans to subsidiaries (refer note 40)	444,302.60	352,629.53
Inter-corporate loans to joint ventures (refer note 40)	-	8,370.59
Inter-corporate loans to other parties	1,208.24	661.00
Loan component of redeemable financial instruments	-	7,524.73
Loans receivables - credit impaired		
Inter-corporate loans to subsidiaries (refer note 40)	5,054.88	233.83
	450,585.72	369,441.08
Less: Impairment for loans (expected credit loss)	(5,054.88)	(233.83)
	445,530.84	369,207.25
Note - 10		
A Other financial assets - non-current		
Bank deposits with maturity of more than 12 months (refer note (a), (b) and (c) below)	5,048.00	8,677.83
Share application money pending allotment (refer note (d) below)	-	5,000.00
Derivative assets	-	3,242.41
	5,048.00	16,920.24
Notes:		
(a) Bank deposits of ₹ 5,000.00 lakhs (excluding interest accrued) (31 March 2019: ₹ Nil) have been lien marked to third party as a security to fulfill certain business obligations.		
(b) Bank deposits of ₹ Nil (excluding interest accrued) (31 March 2019: ₹ 435.00 lakhs) have been pledged with banks against loan given by banks.		
(c) Bank deposits of ₹ Nil (excluding interest accrued) (31 March 2019: ₹ 8,175.00 lakhs) have been lien marked as a security for margin on forward contracts booked with Barclays Banks.		
(d) During the previous year, the Company has paid share application money amounting to ₹ 5,000.00 lakhs to one of its wholly owned subsidiary namely Century Limited. During the year, 5,458,515 shares were issued on 28 May 2019 against the share application money.		
B Other financial assets - current		
Earnest money deposit	1.00	1.00
Other advances	0.01	1.03
	1.01	2.03
Note - 11		
Deferred tax assets (net)		
Deferred tax asset arising on account of:		
Property, plant and equipment and intangible assets - depreciation and amortisation	98.29	144.85
Right of use assets and lease liability	35.52	-
Loans and other financial instruments - debt instruments	0.84	8.98
Impairment for investments, financial and non-financial assets	-	1,227.04
Employee benefits		
Gratuity and compensated absences	6.71	13.52
Share based payment	167.33	547.99
Unabsorbed long-term capital losses	-	2,684.94
	308.69	4,627.32
Deferred tax liabilities arising on account of:		
Derivate assets - mark to market gain on derivative contract	-	(1,133.03)
Fair valuation gain of investments	-	(1,918.36)
	-	(3,051.39)
Minimum alternate tax credit entitlement (refer note 34)	-	2,262.65
	308.69	3,838.58
(i) The Company has unabsorbed business losses including unabsorbed depreciation amounting to ₹ 22,153.84 lakhs (31 March 2019: ₹ 20,502.47 lakhs) on which no deferred tax asset is recognised considering there is no probability which demonstrate realisation of deferred tax asset in the near future. Further these losses are available for offset for maximum period of eight years from the date of incurrence of loss.		
(ii) Expiry date of minimum alternate credit		
Expiry financial year		
1 April 2028 - 31 March 2029	-	846.65
1 April 2029 - 31 March 2030	-	148.88
1 April 2030 - 31 March 2031	-	1,267.12
	-	2,262.65

(ii) Caption wise movement in deferred tax assets as follows:

(₹ in lakhs)

Particulars	31 March 2018	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2019
Assets				
Property, plant and equipment and intangible assets	150.49	-	(5.64)	144.85
Loans and other financial assets	4,977.99	-	(4,969.01)	8.98
Impairment for investments, financial and non-financial assets	189.12	-	1,037.92	1,227.04
Employee benefits	659.95	(0.18)	(98.26)	561.51
Unabsorbed capital losses	-	-	2,684.94	2,684.94
Liabilities				
Derivate assets - mark to market gain on derivative contract	-	-	(1,133.03)	(1,133.03)
Fair valuation gain of investments	-	-	(1,918.36)	(1,918.36)
Sub-total	5,977.55	(0.18)	(4,401.44)	1,575.93
Minimum alternate tax credit entitlement	2,262.65	-	-	2,262.65
Total	8,240.20	(0.18)	(4,401.44)	3,838.58

(₹ in lakhs)

Particulars	31 March 2019	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2020
Assets				
Property, plant and equipment and intangible assets	144.85	-	(46.56)	98.29
Right of use assets and lease liability	-	-	35.52	35.52
Loans and other financial assets	8.98	-	(8.14)	0.84
Impairment for investments, financial and non-financial assets	1,227.04	-	(1,227.04)	-
Employee benefits	561.51	(3.48)	(383.99)	174.04
Unabsorbed capital losses	2,684.94	-	(2,684.94)	-
Liabilities				
Derivate assets - mark to market gain on derivative contract	(1,133.03)	-	1,133.03	-
Fair valuation gain of investments	(1,918.36)	-	1,918.36	-
Sub-total	1,575.93	(3.48)	(1,263.76)	308.69
Minimum alternate tax credit entitlement	2,262.65	-	(2,262.65)	-
Total	3,838.58	(3.48)	(3,526.41)	308.69

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	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 12		
Non-current tax assets (net)		
Advance income tax, including tax deducted at source (net of provisions)	11,322.85	10,666.87
	11,322.85	10,666.87
Note - 13		
A Other non-current assets		
(Unsecured, considered good)		
Capital advances	-	4.25
Prepaid expenses	1.91	54.60
	1.91	58.85
B Other current assets		
(Unsecured, considered good, unless otherwise stated)		
Advance to employees	0.65	1.69
Advance to suppliers/service providers (doubtful balance of ₹ 179.27 lakhs (31 March 2019: ₹ 251.50 lakhs))	186.89	271.88
Prepaid expenses	22.57	1,601.52
Balances with statutory authorities (doubtful balance of ₹ 875.00 lakhs (31 March 2019: ₹ Nil))*	2,153.34	1,285.80
Stamp paper in hands	4.50	2.40
	2,367.95	3,163.29
Less: Impairment for non-financial assets	(1,054.27)	(251.50)
	1,313.68	2,911.79
<i>*includes ₹ 139.66 lakhs (31 March 2019: ₹ Nil) paid under protest to income tax authorities.</i>		
Note - 14		
Inventories		
Land*	90.19	90.19
Real estate properties under development (at cost)		
Cost of properties under development	7,042.57	7,042.57
Less: Cost of revenue recognised till date (refer note 48)	(7,042.57)	-
	-	7,042.57
	90.19	7,132.76
* The above land is mortgage as security against non-convertible debentures issued by the Company.		
Note - 15		
Trade receivables		
Trade receivables considered good - unsecured		
Joint ventures (refer note 40)	-	589.30
Others	-	0.06
Trade receivables - credit impaired	33.04	33.04
	33.04	622.40
Less: Impairment for trade receivables (expected credit loss)	(33.04)	(33.04)
	-	589.36
Note - 16		
Cash and cash equivalents		
Cash in hand	0.09	0.12
Balances with banks		
In current accounts	1,480.62	2,648.61
	1,480.71	2,648.73
Note - 17		
Other bank balances		
Balances with banks		
In unclaimed dividend accounts (refer note (a) below)	38.74	38.75
Bank deposits - with maturity of more than three months and upto twelve months (refer note (b), (c) and (d) below)	24,109.14	5,932.00
	24,147.88	5,970.75
Notes:		
(a) Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Company does not have any right on the said money.		
(b) Bank deposits of ₹ 20,000.00 lakhs (excluding interest accrued) (31 March 2019: ₹ Nil) have been lien marked to third party as a security to fulfill certain business obligations.		
(c) Bank deposits of ₹ 3,794.17 lakhs (excluding interest accrued) (31 March 2019: ₹ 3,927.11 lakhs) have been pledged with banks against guarantees, overdraft facilities and loan given by banks.		
(d) Bank deposits of ₹ Nil (excluding interest accrued) (31 March 2019: ₹ 1,916.78 lakhs) have been lien marked as a security for servicing of non-convertible debentures interest.		
Note - 18		
Assets held for sale		
Investment held for sale (refer note 8(c) and 47)	9,003.87	34,706.36
	9,003.87	34,706.36

Note - 19		31 March 2020		31 March 2019	
A Equity share capital		(₹ in lakhs)		(₹ in lakhs)	
i Authorised	Number	Amount	Number	Amount	
Equity share capital of face value of ₹ 2 each	750,000,000	15,000.00	750,000,000	15,000.00	
		15,000.00		15,000.00	
ii Issued, subscribed and fully paid up					
Equity share capital of face value of ₹ 2 each fully paid up	454,663,876	9,093.28	450,680,289	9,013.61	
		9,093.28		9,013.61	
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year					
Balance at the beginning of the year	450,680,289	9,013.61	474,674,139	9,493.48	
Add: Issued during the year	3,983,587	79.67	2,006,150	40.13	
Less: Buy back during the year	-	-	26,000,000	520.00	
Balance at the end of the year	454,663,876	9,093.28	450,680,289	9,013.61	

iv Rights, preferences and restrictions attached to equity and preference shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

v Details of shareholder holding more than 5% share capital

31 March 2020	
Name of the equity shareholder	Number of shares
Embassy Property Developments Private Limited	7.21 63,095,240
SG Infralands Private Limited	10.43 43,600,000
SG Devbuild Private Limited	18.11 25,100,000
Morgan Stanley Asia (Singapore) PTE	19.47 23,356,826
31 March 2019	
Name of the equity shareholder	Number of shares
Jyestha Infrastructure Private Limited	49,755,973
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	36,700,000

vi Aggregate number of shares issued for consideration other than cash

No shares have been issued for other than cash during the period of five years immediately preceding 31 March 2020.

vii Aggregate number of shares bought back

- During the year ended 31 March 2019, 26,000,000 equity shares were bought back at an average price of ₹ 170.85 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).
- During the year ended 31 March 2018, 5,796,000 equity shares were bought back at an average price of ₹ 89.76 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).
- During the year ended 31 March 2017, 28,250,000 equity shares were bought back at an average price of ₹ 78.01 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 2018 (as amended).

viii Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer note 44.

31 March 2020		31 March 2019	
B Preference share capital		(₹ in lakhs)	
i Authorised	Number	Amount	Amount
Preference share capital of face value of ₹ 10 each#	364,000,000	36,400.00	36,400.00
		36,400.00	36,400.00

Since the Company has not issued preference shares, hence, other disclosures are not presented.

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Note - 20**Other equity**

	31 March 2020	31 March 2019
	(₹ in lakhs)	(₹ in lakhs)
Reserves and surplus		
General reserve	51,265.03	51,265.03
Capital reserve	27,720.50	27,720.50
Debenture redemption reserve	27,062.50	27,062.50
Capital redemption reserve	2,200.92	2,200.92
Share options outstanding account	638.00	1,951.67
Securities premium	538,237.57	534,779.82
Retained earnings	(7,738.19)	767.75
Other comprehensive income		
Fair valuation of equity instruments	(3,542.83)	(585.65)
	635,843.50	645,162.54

Nature and purpose of other reserves***General reserve***

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Capital reserve

The Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Capital redemption reserve

The same has been created in accordance with provisions of Companies Act for the buy back of equity shares from the market.

Deferred employee compensation reserve

The reserve is used to recognise the grant date fair value of the options issued to employees under Company's employee stock option plan.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act 2013.

Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

Fair valuation of equity instruments

The Company has elected to recognise the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated within this reserve under the head equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

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	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 21		
A Borrowings - non-current		
Secured loans		
Debentures		
Non-convertible debentures (redeemable) (refer note (i) below)	97,942.84	173,185.96
Less: Current maturities of non-current borrowings (refer note 24)	(51,741.34)	(72,358.36)
Term loans		
From banks (refer note (ii) below)	118,032.51	120,696.03
Less: Current maturities of non-current borrowings (refer note 24)	(118,032.51)	(11,379.69)
Vehicle loans		
From banks (refer note (iii) below)	-	8.37
Less: Current maturities of non-current borrowings (refer note 24)	-	(8.37)
	46,201.50	210,143.94

i Repayment terms (including current maturities) and security details for non-convertible debentures:

Particulars	Security	Maturity date	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
1 190 Redeemable non-convertible debentures issued on 9 September 2016 for ₹ 1,900 lakhs @ 9.85% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	8 July 2022	1,886.50	1,881.46
2 250 Redeemable non-convertible debentures issued on 7 September 2016 for ₹ 2,500 lakhs @ 9.80% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	7 July 2022	2,480.60	2,473.34
3 300 Redeemable non-convertible debentures issued on 16 August 2016 for ₹ 3,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	16 June 2022	2,966.42	2,953.57
4 200 Redeemable non-convertible debentures issued on 18 July 2016 for ₹ 2,000 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	18 May 2022	1,975.82	1,966.03
5 250 Redeemable non-convertible debentures issued on 12 July 2016 for ₹ 2,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	12 May 2022	2,469.78	2,457.53
6 150 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,481.87	1,474.52
7 160 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 1,600 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,580.66	1,572.82
8 750 Redeemable non-convertible debentures issued on 29 June 2016 for ₹ 7,500 lakhs @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	29 April 2022	7,406.01	7,367.55
9 4,800 Redeemable non-convertible debentures issued on 27 June 2018 for ₹ 48,000 lakhs @ 9.50% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Gurugram held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	25 June 2021 and 26 June 2020	47,773.47	47,465.26

Particulars	Security	Maturity date	31 March 2020	31 March 2019
			(₹ in lakhs)	(₹ in lakhs)
10 100 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 1,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	993.06	986.60
11 200 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 2,000 lakhs @ 10.75% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	1,979.07	1,959.64
12 150 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 1,500 lakhs @ 11.50% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu	21 August 2020	-	1,477.53
13 200 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 2,000 lakhs @ 11.50% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company's and its certain subsidiary companies by way of pari-passu charge	21 August 2020	-	1,983.82
14 5,000 Redeemable non-convertible debentures issued on 29 June 2017 for ₹ 50,000 lakhs @ 9.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Gurugram and Savroli held and owned by the Company's and its certain subsidiary companies by way of pari-passu charge	29 June 2020 and 28 June 2019	24,949.58	49,666.29
15 250 Redeemable non-convertible debentures issued on 27 September 2018 for ₹ 2,500 lakhs @ 10.25% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Mule-Alibaug held and owned by the Company's and its certain subsidiary companies by way of pari-passu charge	28 September 2019	-	2,500.00
16 9,000 Redeemable non-convertible debentures issued on 6 June 2014 for ₹ 90,000 lakhs @ 11.10% of face value ₹ 1,000,000 each **	Secured by mortgage on immovable properties situated at Gurugram, Panvel, Chennai, Savroli and Chawne held and owned by the Company and its certain subsidiary companies	06 June 2019	-	45,000.00

** These non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited and remaining non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.

ii Repayment terms (including current maturities) and security details for term loan from banks:

- a During the year ended 31 March 2020, the Company has availed term loan of ₹ 10,400.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of registered mortgage over 19 identified unsold properties in Tower - A of the project "BLU Estate and Club" (project in one of the subsidiary company) along with proportionate undivided share of land, common area, common amenities and car parks pertaining to said properties. The loan is repayable in 12 equal monthly installments post the principal moratorium period of 6 months. The rate of interest as on 31 March 2020 is 11.50% p.a. (RBL Bank's MCLR plus spread). The outstanding balance as at 31 March 2020 is ₹ 7,715.63 lakhs (31 March 2019: ₹ Nil).
- b During the year ended 31 March 2019, the Company has availed term loan of ₹ 100,000.00 lakhs from Yes Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at various locations and owned by certain subsidiary companies. The loan is repayable in three installments at 30%, 35% and 35% at the end of 21st month, 24th month and 27th month from the date of first disbursement. The rate of interest as on 31 March 2020 is 10.90% p.a. (Yes Bank's MCLR plus spread). The outstanding balance as at 31 March 2020 is ₹ 99,350.46 lakhs (31 March 2019: ₹ 98,349.92).
- c During the year ended 31 March 2018, the Company has availed term loan of ₹ 10,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at Savroli and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement. The rate of interest as on 31 March 2020 is 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2020 is ₹ 4,987.05 lakhs (31 March 2019: ₹ 7,961.72 lakhs).
- d During the year ended 31 March 2018, the Company has availed term loan of ₹ 5,000.00 lakhs from RBL Bank Limited and interest payable monthly, secured by exclusive charge by way of equitable mortgage on immovable properties located at Gurugram and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two year and three year from the date of disbursement. The rate of interest as on 31 March 2020 is 11.35% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2020 is ₹ 2,493.68 lakhs (31 March 2019: ₹ 3,980.95 lakhs).
- e During the year ended 31 March 2015, the Company has availed term loan of ₹ 28,000.00 lakhs from Axis Bank Limited and interest payable monthly, primarily secured by mortgage on immovable properties situated at Savroli held and owned by the certain subsidiary companies. The loan is further secured by collateral security on immovable properties of certain subsidiary companies. Additionally, the aforesaid term loan is also secured by way of pari-passu charge on all the project related receivables, if any, of its certain subsidiary companies. Further, there is corporate guarantee issued by its certain subsidiary Companies. The loan is repayable in 16 equal quarterly installments after moratorium period of two years from date of first disbursement. The rate of interest as on 31 March 2020 is 9.55% p.a. (Axis Bank's six month MCLR plus spread). The outstanding balance as at 31 March 2020 is ₹ 3,485.69 lakhs (31 March 2019: ₹ 10,403.44 lakhs).

iii Repayment terms (including current maturities) and security details for vehicle loans:

During the year ended 31 March 2015, the Company has availed vehicle loan of ₹ 60.00 lakhs from Axis Bank Limited and interest payable monthly, secured by way of hypothecation on vehicle purchased. These loan is repayable in 60 equated monthly installments starting from 15 November 2014. The outstanding balance as at 31 March 2020 is ₹ Nil (31 March 2019: ₹ 8.37 lakhs).

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
B Borrowings - current		
Unsecured loans		
Commercial paper (refer note a below)	-	96,500.00
Loans from related parties (refer note b below and 40)	11,973.45	10,329.45
	11,973.45	106,829.45

a. Maximum balance outstanding during the year is ₹ 96,500.00 lakhs (31 March 2019: ₹ 115,000.00 lakhs).

b. Carrying interest rate of 9.50% per annum as at 31 March 2020 (31 March 2019: 9.50% per annum).

Note - 22

A Lease liabilities - non-current

Lease liabilities (refer note 42)

859.88	-
859.88	-

B Lease liabilities - current

Lease liabilities (refer note 42)

769.71	-
769.71	-

Note - 23

A Provisions - non-current

Provision for employee benefits:

Gratuity (refer note 43)

Compensated absences (refer note 43)

17.65	27.06
6.35	6.24
24.00	33.30

B Provisions - current

Provision for employee benefits:

Gratuity (refer note 43)

Compensated absences (refer note 43)

2.52	4.78
0.12	0.60
2.64	5.38

Note - 24

Other financial liabilities - current

Current maturities of non-current borrowings

Non-convertible debentures (redeemable)

Term loans

Vehicle loans

Interest accrued on borrowings from subsidiary (refer note 40)

Interest accrued on non-convertible debentures and term loans from banks

Unpaid dividend on equity shares*

Security deposits received

Retention money payable

Payable for investment**

Expenses payable

51,741.34	72,358.36
118,032.51	11,379.69
-	8.37
-	894.00
2,552.92	2,334.01
38.74	38.75
-	4.00
5.28	4.64
5,109.00	-
2,300.78	892.71
179,780.57	87,914.53

*Not due for credit to 'Investor Education and Protection Fund'

**This is payable against purchase of an investment

Note - 25

Other current liabilities

Payable to statutory authorities

Other advances*

202.94	177.19
-	6,600.00
202.94	6,777.19

* In the previous year, the Company has received this advance for proposed business transaction.

Note - 26

Current tax liabilities (net)

Provision for income tax

446.85	-
446.85	-

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020	31 March 2019
	(₹ in lakhs)	(₹ in lakhs)
Note - 27		
Revenue from operations		
Revenue on account of settlement of existing project (refer note 48)	13,707.00	-
Revenue from real estate properties advisory and management services	1,170.83	1,919.61
Other operating income		
Net gain on settlement through merger scheme and fair value impact of assets held for sale (refer note 47)	21,406.90	-
Profit on sale of investments in subsidiaries having project	-	9,787.59
	36,284.73	11,707.20
Note - 28		
Other income		
Interest income on		
Inter-corporate loans given to:		
Subsidiaries (refer note 40)	18,587.92	11,910.19
Joint ventures (refer note 40)	287.55	898.09
Others	314.54	1.54
Debentures (refer note 40)	3,901.23	5,497.85
Bank deposits	1,286.91	628.28
Amortised cost financial assets	481.65	1,428.75
Others	1,299.31	523.67
Profit on sale of investments (net)#	668.59	819.63
Profit on sale of property, plant and equipment (net)	0.77	1.32
Modification gain on de-recognition of lease contracts	13.73	-
Business support income	69.93	26.36
Income on fair valuation of financial assets	0.08	0.04
Excess provision/liabilities written back	294.63	70.16
Mark to market gain on forward contracts	-	3,242.41
Miscellaneous income	10.03	2.90
	27,216.87	25,051.19
<i># Profit recognised on sale of investments in mutual funds</i>		
Note - 29		
Cost of revenue		
Decrease/(increase) in real estate properties		
Opening stock	7,132.76	7,132.76
Closing stock	(90.19)	(7,132.76)
	7,042.57	-
Note - 30		
Employee benefits expense		
Salaries and wages	147.76	389.87
Contribution to provident fund and other funds	1.94	3.05
Staff welfare expenses	4.52	3.20
Share based payment expense (refer note 44)	54.08	237.39
	208.30	633.51
Note - 31		
Finance costs		
Interest expense		
On borrowings	29,820.06	32,779.96
On income tax	1.16	2.14
Interest on lease liabilities	217.03	-
Other borrowing costs	122.00	260.03
	30,160.25	33,042.13
Note - 32		
Depreciation and amortisation expense		
Depreciation on property, plant and equipment	65.72	76.65
Depreciation on right of use asset	893.38	-
Amortisation of intangible assets	1.66	7.13
	960.76	83.78

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Note - 33		
A. Impairment losses on financial assets		
Impairment in value of loans (net)	4,821.05	-
Loans written off	10,131.36	-
	14,952.41	-
B. Other expenses		
Advertisement expenses	32.33	431.48
Auditor's remuneration		
Audit fees\$	136.00	144.00
Certification and other services	25.00	3.00
Out of pocket expenses	4.38	3.96
Business support expenses	53.17	107.64
Communication expenses	48.93	46.79
Director sitting fees	24.00	23.00
Insurance expenses	47.73	60.16
Legal and professional charges	460.87	554.94
Membership and subscription charges	12.70	13.68
Power and fuel expenses	46.22	49.72
Printing and stationery	38.16	6.39
Rates and taxes	60.37	167.61
Rent expenses	0.28	1,004.27
Repairs and maintenance		
Vehicles	14.22	32.04
Buildings	112.69	120.60
Others	63.64	55.60
Brokerage and marketing expenses	8.73	50.36
Travelling and conveyance expenses	41.69	38.12
Loss on sale of investments in subsidiaries and joint ventures (net)	8,136.86	-
Mark to market loss on forward contracts (net)	2,423.31	-
Indemnity charges	1,654.12	-
Impairment in other current assets#	875.00	-
Non current investment written off*	-	105.00
Impairment in value of investments (net)	849.03	3,661.00
Miscellaneous expenses	61.11	30.43
	15,230.54	6,709.79

\$ including fee for additional efforts

This is provision recognised for non-recoverable/ adjustable goods and services tax input credit.

* During the previous year, the amount written off was on account of few wholly owned subsidiaries of the Company being voluntarily dissolved and struck off from the register of companies.

Note - 34
Tax expenses

Current tax reversal - earlier years (refer note 49)	(44.02)	-
Deferred tax charge	3,526.41	4,401.44
Income tax expense reported in the statement of profit or loss	3,482.39	4,401.44

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. Accordingly, the Company has recognised provision for income tax for the period ended 31 March 2020 and re-measured its deferred tax assets/liabilities basis the rate prescribed in the aforesaid section.

The major components of the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% and the reported tax expense in the statement of profit or loss are as follows:

	31 March 2020 (₹ in lakhs)	31 March 2019 (₹ in lakhs)
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting (loss)/profit before tax from continuing operations	(5,053.23)	15,002.63
Accounting profit before income tax	(5,053.23)	15,002.63
At statutory income tax rate of 25.168% (31 March 2019: 34.944%)	(1,271.80)	5,242.53
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of exempted income	(5,817.27)	(829.11)
Tax impact of expenses which will never be allowed	417.26	2.70
Tax impact of unrecognised deferred tax on temporary difference	3,561.82	-
Tax impact of capital loss/(gain) charged at different rate	-	(261.32)
Tax impact on indexation benefits under Income Tax Act, 1961	(32,747.73)	(5,116.24)
Tax impact of unrecognised deferred tax on capital losses	37,009.12	-
Tax impact of unrecognised deferred tax on unabsorbed losses	408.73	5,763.67
Reversal of minimum alternate credit entitlement	2,262.65	-
Others	(340.39)	(400.79)
Income tax expense	3,482.39	4,401.44

Note - 35

Earnings per share (EPS)

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number potential equity shares outstanding during the year including share options, except where the result would be anti-dilutive. Weighted average number of equity shares includes impact of buy back of equity shares during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2020	31 March 2019
(Loss)/profit attributable to equity holders (₹ in lakhs)	(8,535.62)	10,601.19
Nominal value of equity share (₹)	2.00	2.00
Total number of equity shares outstanding at the beginning of the year	450,680,289	474,674,139
Total number of equity shares outstanding at the end of the year	454,663,876	450,680,289
Weighted average number of equity shares for basic earning per share	453,834,397	456,666,283
Add: Share based options*	-	-
Weighted average number of equity shares adjusted for diluted earning per share	453,834,397	456,666,283
Earnings per equity share:		
Basic (₹)	(1.88)	2.32
Diluted (₹)	(1.88)	2.32

*Potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.

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Note - 36**Fair value measurements****(i) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value**(₹ in lakhs)**

31 March 2020	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	1.12	-	-	1.12
Financial instruments at FVOCI				
Quoted equity instruments	2,957.17	-	-	2,957.17
Total financial assets	2,958.29	-	-	2,958.29

Financial assets measured at fair value**(₹ in lakhs)**

31 March 2019	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	1.04	-	-	1.04
Financial instruments at FVOCI				
Quoted equity instruments	5,914.35	-	-	5,914.35
Derivative asset at FVTPL				
Forward contract	-	3,242.41	-	3,242.41
Total financial assets	5,915.39	3,242.41	-	9,157.80

(iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

- Traded (market) price basis recognised stock exchange for equity shares.
- Use of net asset value for mutual funds on the basis of the statement received from investee party.
- The value of derivative contracts are determined using forward exchange rates at balance sheet date.

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Note - 37

Financial risk management

i) Financial instruments by category

(₹ in lakhs)

Particulars	31 March 2020			31 March 2019		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
Financial assets						
Investments						
Equity instruments	-	2,957.17	-	-	5,914.35	-
Bonds	-	-	6,282.66	-	-	6,279.67
Mutual funds	1.12	-	-	1.04	-	-
Trade receivables	-	-	-	-	-	589.36
Cash and cash equivalents	-	-	1,480.71	-	-	2,648.73
Other bank balances	-	-	24,147.88	-	-	5,970.75
Loans	-	-	445,510.84	-	-	369,185.85
Security deposits	-	-	1,149.22	-	-	1,311.62
Derivative assets	-	-	-	3,242.41	-	-
Other financial assets	-	-	5,049.01	-	-	8,679.86
Total financial assets	1.12	2,957.17	483,620.32	3,243.45	5,914.35	394,665.84

(₹ in lakhs)

Particulars	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	227,948.80	-	-	400,719.81
Security deposits	-	-	-	-	-	4.00
Lease liabilities	-	-	1,629.59	-	-	-
Other financial liabilities	-	-	10,006.72	-	-	4,164.11
Total financial liabilities	-	-	239,585.11	-	-	404,887.92

Investment in subsidiaries and joint ventures are measured at cost as per Ind AS 27, 'Separate financial statements'.

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

ii) Fair value of instruments measured at amortised cost

(₹ in lakhs)

Particulars	Level	31 March 2020		31 March 2019	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments (bonds)	Level 3	6,282.66	6,282.66	6,279.67	6,279.67
Loans	Level 3	1,129.22	1,129.22	1,290.22	1,290.22
Other financial assets	Level 3	5,048.00	5,048.00	8,677.83	8,677.83
Total financial assets		12,459.88	12,459.88	16,247.72	16,247.72
Financial liabilities					
Borrowings*	Level 3	46,201.50	46,201.50	210,143.94	210,143.94
Total financial liabilities		46,201.50	46,201.50	210,143.94	210,143.94

The above disclosures is presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (investments, trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, lease liabilities and other current financial liabilities) represents the best estimate of fair value.

*A part of the non-convertible redeemable debentures issued by the Company are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures represents the best estimate of fair value.

iii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/Life time expected credit loss
C: High credit risk	Trade receivables and loans	Life time expected credit loss/fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –		(₹ in lakhs)	
Credit rating	Particulars	31 March 2020	31 March 2019
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	488,708.24	394,932.71
C: High credit risk	Trade receivables and loans	5,087.92	266.87

ii) *Concentration of financial assets*

The Company's principal business activities are real estate project advisory, construction and development of real estate properties and all other related activities. The Company's outstanding receivables are for real estate project advisory business. Loans and other financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

b) **Credit risk exposure**

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2020				(₹ in lakhs)
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision	
Investments	6,282.66	-	6,282.66	
Trade receivables	33.04	33.04	-	
Cash and cash equivalents	1,480.71	-	1,480.71	
Other bank balances	24,147.88	-	24,147.88	
Loans	450,565.72	5,054.88	445,510.84	
Security deposit	1,149.22	-	1,149.22	
Other financial assets	5,049.01	-	5,049.01	

As at 31 March 2019				(₹ in lakhs)
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision	
Investments	6,279.67	-	6,279.67	
Trade receivables	622.40	33.04	589.36	
Cash and cash equivalents	2,648.73	-	2,648.73	
Other bank balances	5,970.75	-	5,970.75	
Loans	369,419.68	233.83	369,185.85	
Security deposit	1,311.61	-	1,311.61	
Other financial assets	8,679.86	-	8,679.86	

Expected credit loss for trade receivables under simplified approach

The Company's outstanding trade receivables are less than six months old and the Company expects that money will be received in due course.

Reconciliation of loss provision			(₹ in lakhs)
Reconciliation of loss allowance	Trade receivables	Loans	
Loss allowance on 31 March 2018	33.04	233.83	
Impairment loss recognised during the year	-	-	
Loss allowance on 31 March 2019	33.04	233.83	
Impairment loss recognised during the year	-	4,821.05	
Loss allowance on 31 March 2020	33.04	5,054.88	

(B) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2020						(₹ in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Non-derivatives						
Borrowings	182,773.45	24,000.00	22,500.00	-	229,273.45	
Lease liabilities	816.68	834.85	187.44	-	1,838.97	
Other financial liabilities	10,006.72	-	-	-	10,006.72	
Total	193,596.85	24,834.85	22,687.44	-	241,119.14	

(₹ in lakhs)					
31 March 2019	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	190,837.82	166,500.00	24,000.00	22,500.00	403,837.82
Other financial liabilities	4,168.11	-	-	-	4,168.11
Total	195,005.93	166,500.00	24,000.00	22,500.00	408,005.93

(C) Market risk**(i) Interest rate risk**

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
Variable rate borrowing	130,005.96	131,025.48
Fixed rate borrowing	97,942.84	269,694.33
Total borrowings	227,948.80	400,719.81

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
Interest rates – increase by 1% (31 March 2019: 1%)	1,300.06	1,310.25
Interest rates – decrease by 1% (31 March 2019: 1%)	(1,300.06)	(1,310.25)

(ii) Price risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods -

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
Price sensitivity		
Price increase by (10%) - FVOCI instrument	295.72	591.44
Price decrease by (10%) - FVOCI instrument	(295.72)	(591.44)
Price increase by (2%) - FVTPL instrument	0.02	0.02
Price decrease by (2%) - FVTPL instrument	(0.02)	(0.02)

(iii) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from derivative contracts.

Foreign currency risk exposure:

(₹ in lakhs)			
Particulars	Currency	31 March 2020	31 March 2019
Derivative assets	GBP	-	3,242.41

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Foreign currency risk exposure:

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
Derivative assets	GBP	-	32.42	-	(32.42)

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020
Note – 38
Capital management

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios –

Debt equity ratio		(₹ in lakhs)	
	31 March 2020	31 March 2019	
Net debt *	197,271.09	383,421.46	
Total equity	644,936.78	654,176.15	
Net debt to equity ratio	0.31	0.59	

* Net debt includes non-current borrowings *plus* current borrowings *plus* current maturities of non-current borrowings *less* cash and cash equivalents (including bank deposits and other liquid securities).

Debt service coverage ratio		(₹ in lakhs)	
	31 March 2020	31 March 2019	
Earnings before interest and tax	24,766.83	47,782.59	
Interest expense for the year + Principal repayments of non-current borrowings during the year	119,928.43	111,293.73	
Debt service coverage ratio	0.21	0.43	

The Company does not have any undrawn borrowing facilities.

Note – 39
Information about subsidiaries and joint ventures

The information about subsidiaries and joint ventures of the Company is as follows. The below table includes the information about step down subsidiaries and joint ventures as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Aedos Real Estate Company Limited	India	100.00%	100.00%
Airmid Developers Limited	India	100.00%	100.00%
Airmid Properties Limited	India	100.00%	100.00%
Airmid Real Estate Limited	India	100.00%	100.00%
Albasta Constructions Limited	India	100.00%	100.00%
Albasta Developers Limited	India	100.00%	100.00%
Albasta Infrastructure Limited	India	100.00%	100.00%
Albasta Properties Limited	India	100.00%	100.00%
Albasta Real Estate Limited	India	100.00%	100.00%
Albina Properties Limited	India	100.00%	100.00%
Albina Real Estate Limited	India	100.00%	100.00%
Amadis Land Development Limited	India	100.00%	100.00%
Angina Properties Limited	India	100.00%	100.00%
Angles Constructions Limited	India	100.00%	100.00%
Apesh Constructions Limited	India	100.00%	100.00%
Apesh Properties Limited	India	100.00%	100.00%
Apesh Real Estate Limited	India	100.00%	100.00%
Ashkit Constructions Limited	India	100.00%	100.00%
Athena Builders and Developers Limited	India	100.00%	100.00%
Athena Buildwell Limited	India	100.00%	100.00%
Athena Infrastructure Limited	India	100.00%	100.00%
Athena Land Development Limited	India	100.00%	100.00%
Aurora Builders and Developers Limited	India	100.00%	100.00%
Bridget Builders and Developers Limited	India	100.00%	100.00%
Catherine Builders and Developers Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Ceres Constructions Limited	India	100.00%	100.00%
Ceres Estate Limited	India	100.00%	100.00%
Ceres Infrastructure Limited	India	100.00%	100.00%
Ceres Land Development Limited	India	100.00%	100.00%
Ceres Properties Limited	India	100.00%	100.00%
Chloris Real Estate Limited	India	100.00%	100.00%
Citra Developers Limited	India	100.00%	100.00%
Citra Properties Limited	India	100.00%	100.00%
Cobitis Buildwell Limited	India	100.00%	100.00%
Cobitis Real Estate Limited	India	100.00%	100.00%
Corus Real Estate Limited	India	100.00%	100.00%
Devona Developers Limited	India	100.00%	100.00%
Devona Infrastructure Limited	India	100.00%	100.00%
Devona Properties Limited	India	100.00%	100.00%
Diana Infrastructure Limited	India	100.00%	100.00%
Diana Land Development Limited	India	100.00%	100.00%
Edesia Constructions Limited	India	100.00%	100.00%
Edesia Developers Limited	India	100.00%	100.00%
Edesia Infrastructure Limited	India	100.00%	100.00%
Elena Constructions Limited	India	100.00%	100.00%
Elena Properties Limited	India	100.00%	100.00%
Fama Builders and Developers Limited	India	100.00%	100.00%
Fama Construction Limited	India	100.00%	100.00%
Fama Estate Limited	India	100.00%	100.00%
Fama Infrastructure Limited	India	100.00%	100.00%
Fama Land Development Limited	India	100.00%	100.00%
Fama Properties Limited	India	100.00%	100.00%
Flora Land Development Limited	India	100.00%	100.00%
Fornax Constructions Limited	India	100.00%	100.00%
Fornax Real Estate Limited	India	100.00%	100.00%
Galium Builders And Developers Limited	India	100.00%	100.00%
Hecate Power and Land Development Limited	India	100.00%	100.00%
Hermes Builders and Developers Limited	India	100.00%	100.00%
Hermes Properties Limited	India	100.00%	100.00%
IB Assets Limited	India	100.00%	100.00%
IB Holdings Limited	India	100.00%	100.00%
Indiabulls Buildcon Limited	India	100.00%	100.00%
Indiabulls Commercial Assets Limited	India	100.00%	100.00%
Indiabulls Commercial Estate Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Management Limited	India	100.00%	100.00%
Indiabulls Communication Infrastructure Limited	India	100.00%	100.00%
Indiabulls Constructions Limited	India	100.00%	100.00%
Indiabulls Engineering Limited	India	100.00%	100.00%
Indiabulls Estate Limited	India	100.00%	100.00%
Indiabulls Hotel Properties Limited	India	100.00%	100.00%
Indiabulls Housing and Constructions Limited	India	100.00%	100.00%
Indiabulls Housing and Land Development Limited	India	100.00%	100.00%
Indiabulls Housing Developers Limited	India	100.00%	100.00%
Indiabulls Industrial Infrastructure Limited	India	89.01%	89.01%
Indiabulls Infraestate Limited	India	100.00%	100.00%
Indiabulls Infrastructure Projects Limited	India	100.00%	100.00%
Indiabulls Infratech Limited	India	100.00%	100.00%
Indiabulls Land Holdings Limited	India	100.00%	100.00%
Indiabulls Lands Limited	India	100.00%	100.00%
Indiabulls Multiplex Services Limited	India	100.00%	100.00%
Indiabulls Natural Resources Limited	India	100.00%	100.00%
Indiabulls Projects Limited	India	100.00%	100.00%
Indiabulls Real Estate Builders Limited	India	100.00%	100.00%
Indiabulls Real Estate Developers Limited	India	100.00%	100.00%
Indiabulls Real Estate Limited - Employees Welfare Trust (w.e.f. 19 February 2020)	India	100.00%	0.00%
Indiabulls Realty Company Limited	India	100.00%	100.00%
Indiabulls Software Parks Limited	India	100.00%	100.00%
Ivonne Infrastructure Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Juventus Constructions Limited	India	100.00%	100.00%
Juventus Estate Limited	India	100.00%	100.00%
Juventus Infrastructure Limited	India	100.00%	100.00%
Juventus Land Development Limited	India	100.00%	100.00%
Juventus Properties Limited	India	100.00%	100.00%
Kailash Buildwell Limited	India	100.00%	100.00%
Kaltha Developers Limited	India	100.00%	100.00%
Karakoram Buildwell Limited	India	100.00%	100.00%
Karakoram Properties Limited	India	100.00%	100.00%
Kenneth Builders and Developers Limited	India	100.00%	100.00%
Lakisha Infrastructure Limited	India	100.00%	100.00%
Lakisha Real Estate Limited (till 29 June 2019) (refer note 8(c))	India	-	100.00%
Lavone Builders And Developers Limited	India	100.00%	100.00%
Lenus Constructions Limited	India	100.00%	100.00%
Lenus Infrastructure Limited	India	100.00%	100.00%
Lenus Properties Limited	India	100.00%	100.00%
Linnet Constructions Limited	India	100.00%	100.00%
Linnet Developers Limited	India	100.00%	100.00%
Linnet Infrastructure Limited	India	100.00%	100.00%
Linnet Properties Limited	India	100.00%	100.00%
Linnet Real Estate Limited	India	100.00%	100.00%
Loon Infrastructure Limited	India	100.00%	100.00%
Loon Land Development Limited (till 30 September 2019) (refer note 8(d))	India	-	100.00%
Lorena Builders Limited	India	100.00%	100.00%
Lorena Constructions Limited	India	100.00%	100.00%
Lorena Developers Limited	India	100.00%	100.00%
Lorena Infrastructure Limited	India	100.00%	100.00%
Lorena Real Estate Limited	India	100.00%	100.00%
Lorita Developers Limited	India	100.00%	100.00%
Lucina Builders and Developers Limited	India	100.00%	100.00%
Lucina Buildwell Limited	India	100.00%	100.00%
Lucina Constructions Limited	India	100.00%	100.00%
Lucina Estate Limited	India	100.00%	100.00%
Lucina Land Development Limited	India	100.00%	100.00%
Lucina Properties Limited	India	100.00%	100.00%
Mabon Constructions Limited	India	100.00%	100.00%
Mabon Infrastructure Limited	India	100.00%	100.00%
Mabon Properties Limited	India	100.00%	100.00%
Majesta Builders Limited	India	100.00%	100.00%
Majesta Constructions Limited	India	100.00%	100.00%
Majesta Developers Limited	India	100.00%	100.00%
Majesta Infrastructure Limited	India	100.00%	100.00%
Majesta Properties Limited	India	100.00%	100.00%
Makala Infrastructure Limited	India	100.00%	100.00%
Manjola Infrastructure Limited	India	100.00%	100.00%
Manjola Real Estate Limited	India	100.00%	100.00%
Mariana Constructions Limited	India	100.00%	100.00%
Mariana Developers Limited	India	100.00%	100.00%
Mariana Infrastructure Limited (till 27 December 2019) (refer note 8(e))	India	-	100.00%
Mariana Properties Limited	India	100.00%	100.00%
Mariana Real Estate Limited	India	100.00%	100.00%
Milkyway Buildcon Limited	India	100.00%	100.00%
Nerissa Constructions Limited	India	100.00%	100.00%
Nerissa Developers Limited	India	100.00%	100.00%
Nerissa Infrastructure Limited	India	100.00%	100.00%
Nerissa Properties Limited	India	100.00%	100.00%
Nerissa Real Estate Limited	India	100.00%	100.00%
Nilgiri Buildwell Limited	India	100.00%	100.00%
Nilgiri Infraestate Limited	India	100.00%	100.00%
Nilgiri Infrastructure Development Limited	India	100.00%	100.00%
Nilgiri Infrastructure Limited	India	100.00%	100.00%
Nilgiri Infrastructure Projects Limited	India	100.00%	100.00%
Nilgiri Land Development Limited	India	100.00%	100.00%
Nilgiri Land Holdings Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
Nilgiri Lands Limited	India	100.00%	100.00%
Nilgiri Resources Limited	India	100.00%	100.00%
Noble Realtors Limited	India	100.00%	100.00%
Paidia Infrastructure Limited	India	100.00%	100.00%
Parmida Constructions Limited	India	100.00%	100.00%
Parmida Developers Limited	India	100.00%	100.00%
Parmida Properties Limited	India	100.00%	100.00%
Platane Infrastructure Limited	India	100.00%	100.00%
Selene Builders and Developers Limited	India	100.00%	100.00%
Selene Buildwell Limited	India	100.00%	100.00%
Selene Constructions Limited	India	100.00%	100.00%
Selene Infrastructure Limited	India	100.00%	100.00%
Selene Land Development Limited	India	100.00%	100.00%
Selene Properties Limited	India	100.00%	100.00%
Sentia Constructions Limited	India	100.00%	100.00%
Sentia Developers Limited	India	100.00%	100.00%
Sentia Infrastructure Limited	India	100.00%	100.00%
Sentia Real Estate Limited	India	100.00%	100.00%
Sepset Developers Limited	India	100.00%	100.00%
Sepset Real Estate Limited	India	100.00%	100.00%
Serida Infrastructure Limited	India	100.00%	100.00%
Serida Properties Limited	India	100.00%	100.00%
Serpentes Constructions Limited	India	100.00%	100.00%
Shivalik Properties Limited	India	100.00%	100.00%
Sophia Constructions Limited	India	100.00%	100.00%
Sophia Real Estate Limited	India	100.00%	100.00%
Sylvanus Properties Limited	India	100.00%	100.00%
Tapir Constructions Limited	India	100.00%	100.00%
Tapir Land Development Limited	India	100.00%	100.00%
Tefia Land Development Limited	India	100.00%	100.00%
Triton Buildwell Limited	India	100.00%	100.00%
Triton Estate Limited	India	100.00%	100.00%
Triton Infrastructure Limited	India	100.00%	100.00%
Triton Properties Limited	India	100.00%	100.00%
Varali Constructions Limited	India	100.00%	100.00%
Varali Developers Limited	India	100.00%	100.00%
Varali Infrastructure Limited	India	100.00%	100.00%
Varali Properties Limited	India	100.00%	100.00%
Varali Real Estate Limited	India	100.00%	100.00%
Vindhyachal Buildwell Limited	India	100.00%	100.00%
Vindhyachal Developers Limited	India	100.00%	100.00%
Vindhyachal Infrastructure Limited	India	100.00%	100.00%
Vindhyachal Land Development Limited	India	100.00%	100.00%
Vonnice Real Estate Limited	India	100.00%	100.00%
Zeus Builders And Developers Limited	India	100.00%	100.00%
Zeus Buildwell Limited	India	100.00%	100.00%
Zeus Estate Limited	India	100.00%	100.00%
Zeus Properties Limited	India	100.00%	100.00%
Arianca Limited	Cyprus	100.00%	100.00%
Ariston Investments Limited	Mauritius	100.00%	100.00%
Ariston Investments Sub C Limited	Mauritius	100.00%	100.00%
Brenformexa Limited	Cyprus	100.00%	100.00%
Century Limited (till 1 November 2019) #	Jersey	-	100.00%
Dev Property Development Limited	Isle of Man	100.00%	100.00%
Eros Limited (till 1 November 2019) #	Jersey	-	100.00%
Foundvest Limited	Cyprus	100.00%	100.00%
Grand Limited	Jersey	100.00%	100.00%
Grapene Limited	Cyprus	100.00%	100.00%
Indiabulls Properties Investment Trust	Singapore	100.00%	100.00%
Indiabulls Property Management Trustee Pte. Limited.	Singapore	100.00%	100.00%
IPMT Limited (till 1 November 2019) #	United Kingdom	-	100.00%
M Holdeo 1 Limited	Mauritius	100.00%	100.00%
M Holdeo 2 Limited	Mauritius	100.00%	100.00%
M Holdeo 3 Limited	Mauritius	100.00%	100.00%
Navilith Holdings Limited	Cyprus	100.00%	100.00%
Nesoi Limited (till 1 November 2019) #	Jersey	-	100.00%
Rhea Limited (till 1 November 2019) #	Jersey	-	100.00%
Shoxell Holdings Limited	Cyprus	100.00%	100.00%
Titan Limited (till 1 November 2019) #	Jersey	-	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Name of Joint Venture	Country of incorporation	Proportion of ownership interest as at 31 March 2020	Proportion of ownership interest as at 31 March 2019
One Qube Realtors Limited (formerly Ashkit Properties Limited) (from 28 December 2018 till 25 September 2019) @	India	-	50.00%
Concepts International India Private Limited (from 28 December 2018 till 25 September 2019) @	India	-	50.05%
Indiabulls Properties Private Limited (from 29 March 2018 till 25 September 2019) @	India	-	50.00%
Indiabulls Real Estate Company Private Limited (from 29 March 2018 till 25 September 2019) @	India	-	50.00%
Opcore Services Limited (formerly Indiabulls Realty Developers Limited) (from 29 March 2018 till 25 September 2019) @	India	-	50.00%
Yashita Buildcon Limited (from 28 December 2018 till 25 September 2019) @	India	-	50.05%

@ During the year, the remaining stake in these joint ventures has been sold to the entities controlled by Blackstone Group Inc. ('Blackstone').

During the year, the Company has sold the entire stake in Century Limited (which indirectly owns Hanover Square property, London and has investments in subsidiaries Eros Limited, Nesoi Limited, Rhea Limited and Titan Limited) to another wholly owned subsidiary Brenformexa Limited which subsequently sold the entire stake along with another indirect subsidiary namely IPMT Limited UK, to Clivedale Overseas Limited, an entity owned by the Promoters.

Note – 40
Related party transactions
Subsidiaries and joint ventures

Details in reference to subsidiaries and joint ventures are presented in Note 39.

Key management personnel

Mr. Vishal Gaurishankar Damani (Joint Managing Director)

Mr. Gurbans Singh (Joint Managing Director)

The transaction with key management personnel are listed below:

Nature of transactions	(₹ in lakhs)	
	31 March 2020	31 March 2019
Managerial remuneration		
Mr. Vishal Gaurishankar Damani	-	85.16
Mr. Gurbans Singh	-	120.00
Share based payment		
Mr. Vishal Gaurishankar Damani	17.78	36.80
Mr. Gurbans Singh	10.66	21.76

(i) Statement of transactions with related parties

Particulars	(₹ in lakhs)	
	31 March 2020	31 March 2019
	Subsidiary Companies	Subsidiary Companies
Investment in equity shares (including share based options for employees of subsidiaries amounting to ₹ 17.93 lakhs (31 March 2019: ₹ 113.92 lakhs))	47,517.93	12,446.50
Sale of equity shares	162,102.74	15,000.00
Buyback of equity shares	84,959.49	-
Investment in debentures	-	6.41
Inter-corporate loans and advances given*	587,072.15	500,527.92
Inter-corporate loans and advances taken*	128,462.45	131,687.00
Share application money paid	-	5,000.00
Interest income	18,587.92	17,408.04
Business support income	69.93	26.36
Business support expenses	53.17	107.64
Interest expenses	1,058.74	993.34
Reimbursement of expenses	20.96	143.37
Corporate guarantees (settled)/given	(131,572.27)	(227,703.00)

*Maximum balance outstanding at any time during the year.

Particulars	(₹ in lakhs)	
	31 March 2020	31 March 2019
	Joint venture	Joint venture
Income from administration, legal and management fees and marketing commission	1,170.83	1,919.61
Interest income	287.55	898.09
Rent expenses	-	780.93
Depreciation on right of use asset	326.83	-
Interest on lease liabilities	98.95	-
Maintenance expenses	47.85	97.62
Electricity expenses	23.35	45.99
Reimbursement of expenses	-	2.50
Inter-corporate loans and advances given*	14,868.33	182,575.82
Corporate guarantees settled	(503,362.13)	(10,425.91)

*Maximum balance outstanding at any time during the year.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

(ii) Statement of balances outstanding:

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
	Subsidiary Companies	Subsidiary Companies
Inter-corporate loans given (including impairment of ₹ 5,054.88 lakhs (31 March 2019: ₹ 233.83 lakhs))	449,357.48	352,863.36
Interest accrued on borrowing	-	894.00
Inter-corporate loans and advances taken	11,973.45	10,329.45
Non-current investment*	374,565.06	594,090.82
Expenses payables	-	86.61
Corporate guarantee	61,923.92	198,580.25

*For details refer note 8.

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
	Joint venture	Joint venture
Inter-corporate loans given	-	8,370.59
Security deposits	-	1,260.46
Non-current investment*	-	3,427.49
Trade receivables	-	589.30
Corporate guarantee	-	503,362.13

*For details refer note 8.

(iii) Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

Information related to material related party transactions:

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
	Subsidiary Companies	Subsidiary Companies
Investment in equity shares		
Century Limited	47,500.00	-
One Qube Realtors Limited (formerly Ashkit Properties Limited)	-	3,411.08
Indiabulls Infrastructure Limited	-	8,921.50
Sale of equity shares		
Brenformexa Limited	162,102.74	-
Indiabulls Infrastructure Limited	-	15,000.00
Buyback of equity shares		
Dev Property Development Limited	84,959.49	-
Investment in debentures		
Yashita Buildcon Limited	-	6.41
Share application money paid		
Century Limited	-	5,000.00
Interest income		
Lucina Land Development Limited	-	142.94
Indiabulls Constructions Limited	5,922.58	599.98
Indiabulls Infraestate Limited	-	5,497.81
Tapir Constructions Limited	3,577.33	4,412.41
Juventus Estate Limited	1,185.86	1,227.19
Airmid Developers Limited	-	1,181.79
Sylvanus Properties Limited	6,424.24	2,301.75
Varali Properties Limited	-	33.82
Makala Infrastructure Limited	637.35	592.96
Catherine Builders and Developers Limited	-	25.21
Nerissa Infrastructure Limited	837.93	859.15
Sepset Real Estate Limited	-	532.91
Milkyway Buildcon Limited	-	0.07
Mariana Infrastructure Limited	2.63	-
Business support income		
Indiabulls Estate Limited	7.97	8.79
Sentia Infrastructure Limited	7.97	8.79
Apesh Constructions Limited	7.97	8.78
Aurora Builders And Developers Limited	3.52	-
Indiabulls Communication Infrastructure Limited	3.27	-
Indiabulls Hotel Properties Limited	3.21	-
Indiabulls Housing and Constructions Limited	3.31	-
Indiabulls Housing and Land Development Limited	3.29	-
Indiabulls Housing Developers Limited	3.61	-
Indiabulls Natural Resources Limited	3.22	-
Indiabulls Real Estate Builders Limited	3.54	-
Indiabulls Real Estate Developers Limited	3.55	-
Indiabulls Software Parks Limited	3.44	-
Lakisha Infrastructure Limited	3.61	-
Loon Infrastructure Limited	4.05	-
Manjola Real Estate Limited	3.08	-
Selene Builders And Developers Limited	0.63	-
Triton Estate Limited	0.68	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Particulars	31 March 2020	31 March 2019
	Subsidiary Companies	Subsidiary Companies
Business support expenses		
Indiabulls Construction Limited	53.17	107.64
Interest expenses		
Indiabulls Industrial Infrastructure Limited	1,058.74	993.34
Reimbursement of expenses		
Indiabulls Infraestate Limited	20.96	74.45
Sentia Infrastructure Limited	-	68.92
Corporate guarantees (settled)/given		
Century Limited	-	(227,654.35)
Citra Properties Limited	(273.70)	199.95
Eros Limited	(66,437.44)	66,437.44
Indiabulls Constructions Limited	(4,628.74)	4,628.74
Indiabulls Infraestate Limited	33,888.63	(94,394.56)
India Land and Properties Limited	-	(49,006.00)
Juventus Estate Limited	(88.63)	(346.18)
Lucina Land Development Limited	(20,500.00)	14,135.24
Mariana Infrastructure Limited	(4,257.50)	9,283.98
Sylvanus Properties Limited	(8,333.00)	(13,333.67)
Titan Limited	(60,955.95)	60,955.95
Athena Infrastructure Limited	188.74	642.14
Selene Constructions Limited	(174.68)	748.32

Particulars	31 March 2020	31 March 2019
	Joint venture	Joint venture
Income from administration, legal and management fees		
Indiabulls Reality Developers Limited	1,144.32	1,906.33
Yashita Buildcon Limited	26.52	13.28
Interest income		
One Qube Realtors Limited (formerly Ashkit Properties Limited)	246.29	76.02
Indiabulls Properties Private Limited	41.26	791.89
Indiabulls Real Estate Company Private Limited	-	30.18
Rent expenses#		
Indiabulls Real Estate Company Private Limited	-	780.93
Depreciation on right of use asset		
Indiabulls Real Estate Company Private Limited	326.83	-
Interest on lease liabilities		
Indiabulls Real Estate Company Private Limited	98.95	-
Maintenance expenses		
Indiabulls Real Estate Company Private Limited	47.85	97.62
Electricity expenses		
Indiabulls Real Estate Company Private Limited	23.35	45.99
Reimbursement of expenses		
Concepts International India Private Limited	-	2.50
Corporate guarantees (settled)/given		
Indiabulls Properties Private Limited	(256,452.78)	(38,377.53)
Indiabulls Real Estate Company Private Limited	(246,909.35)	27,951.62

Effective 1 April 2019, the Company has applied Ind AS 116 and accordingly, for leases covered under Ind AS 116, "Depreciation on right of use asset" and "Interest on lease liabilities" has been presented as related party transactions. The related of rent expense for the year is ₹ 382.83 lakhs.

Information related to material related parties maximum balance outstanding and closing balances:

Particulars	31 March 2020		31 March 2019	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Inter-corporate loans and advances given				
Aedos Real Estate Company Limited	-	-	224.51	-
Airmid Developers Limited	-	-	24,339.90	-
Airmid Infrastructure Limited	-	-	-	-
Airmid Properties Limited	670.37	670.37	670.17	670.17
Airmid Real Estate Limited	-	-	7,183.90	-
Albasta Constructions Limited	-	-	6.67	-
Albasta Developers Limited	-	-	-	-
Albasta Properties Limited	2,104.29	2,104.29	2,104.04	2,104.04
Albasta Real Estate Limited	-	-	193.30	-
Albina Real Estate Limited	-	-	-	-
Amadis Land Development Limited	397.30	397.30	397.10	397.10
Angina Properties Limited	-	-	53.35	-
Angles Constructions Limited	-	-	-	-
Apesh Constructions Limited	-	-	1,208.11	-
Apesh Properties Limited	-	-	58.99	-
Apesh Real Estate Limited	-	-	415.98	-
One Qube Realtors Limited (formerly Ashkit Properties Limited)	-	-	17,979.41	-
Athena Builders and Developers Limited	-	-	106.03	-
Athena Buildwell Limited	-	-	0.50	-
Athena Infrastructure Limited	19,757.00	19,757.00	8,809.75	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Particulars	31 March 2020		31 March 2019	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Athena Land Development Limited	-	-	47.80	-
Catherine Builders and Developers Limited	-	-	408.91	-
Ceres Constructions Limited	358.88	358.88	358.88	358.88
Ceres Estate Limited	-	-	53.69	-
Ceres Infrastructure Limited	352.97	352.97	352.77	352.77
Ceres Land Development Limited	482.29	482.29	482.09	482.09
Ceres Properties Limited	429.55	429.55	428.55	428.55
Chloris Real Estate Limited	1,452.27	1,424.27	1,452.07	1,452.07
Citra Properties Limited	25,901.95	24,522.20	24,571.80	24,134.80
Cobitis Buildwell Limited	-	-	-	-
Corus Real Estate Limited	696.19	641.99	695.99	695.99
Devona Developers Limited	1,138.21	1,127.21	1,138.21	1,138.21
Devona Infrastructure Limited	-	-	300.51	-
Diana Infrastructure Limited	481.60	480.70	484.10	481.60
Diana Land Development Limited	-	-	60.32	-
Elena Properties Limited	-	-	0.20	-
Elena Real Estate Limited	-	-	-	-
Fama Construction Limited	860.89	860.89	860.89	860.89
Fama Estate Limited	1,374.18	1,374.18	1,373.98	1,373.98
Fama Infrastructure Limited	-	-	137.48	-
Fama Land Development Limited	557.52	557.52	555.82	555.82
Fama Properties Limited	-	-	222.14	-
Fornax Constructions Limited	718.94	716.34	718.74	718.74
Fornax Real Estate Limited	-	-	-	-
Galium Builders and Developers Limited	-	-	90.61	-
Hecate Power and Land Development Limited	-	-	82.96	-
Hermes Builders and Developers Limited	-	-	0.30	-
Hermes Properties Limited	-	-	109.64	-
Ib Holdings Limited	-	-	45.65	-
Indiabulls Buildcon Limited	-	-	17.76	-
Indiabulls Commercial Assets Limited	-	-	8.00	-
Indiabulls Commercial Estate Limited	-	-	4.00	-
Indiabulls Constructions Limited	165,003.00	125,478.00	86,349.60	83,803.44
Indiabulls Engineering Limited	-	-	2.00	-
Indiabulls Estate Limited	217.50	-	1,880.45	128.50
Indiabulls Home Developers Limited	-	-	-	-
Indiabulls Infraestate Limited	97,446.00	97,446.00	37,500.00	37,500.00
Indiabulls Infrastructure Limited	-	-	9,330.16	-
Indiabulls Infratech Limited	-	-	345.36	-
Indiabulls Lands Limited	-	-	-	-
Indiabulls Malls Limited	-	-	0.02	-
Indiabulls Multiplex Services Limited	-	-	506.75	-
Indiabulls Projects Limited	-	-	66.50	-
Ivonne Infrastructure Limited	-	-	-	-
Ivonne Real Estate Limited	-	-	0.08	-
Juventus Constructions Limited	-	-	274.48	-
Juventus Estate Limited	15,274.21	14,948.21	15,807.06	15,467.91
Juventus Land Development Limited	326.02	325.72	325.82	325.82
Kailash Buildwell Limited	-	-	287.14	-
Kaltha Developers Limited	-	-	10.40	-
Karakoram Buildwell Limited	603.16	603.16	603.16	603.16
Karakoram Properties Limited	-	-	18.54	-
Lakisha Developers Limited	-	-	-	-
Lakisha Real Estate Limited	4,520.79	-	4,520.79	4,520.79
Lenus Constructions Limited	-	-	93.38	-
Lenus Infrastructure Limited	-	-	-	-
Lenus Properties Limited	-	-	0.57	-
Lenus Real Estate Limited	-	-	-	-
Linnet Properties Limited	1,373.50	1,372.50	1,373.50	1,373.50
Linnet Real Estate Limited	1,449.70	1,449.70	1,449.50	1,449.50
Loon Land Development Limited	-	-	6.20	-
Lorena Builders Limited	-	-	1,984.85	-
Lucina Buildwell Limited	1,724.48	1,724.08	1,722.58	1,722.48
Lucina Constructions Limited	-	-	30.57	-
Lucina Estate Limited	626.27	596.27	626.07	626.07
Lucina Land Development Limited	-	-	6,017.50	-
Mabon Constructions Limited	-	-	-	-
Mabon Infrastructure Limited	-	-	1.13	-
Makala Infrastructure Limited	8,537.37	8,537.37	7,863.87	7,851.13
Manjola Infrastructure Limited	-	-	1,472.12	-
Mariana Constructions Limited	-	-	132.92	-
Mariana Infrastructure Limited	7,795.80	-	11,353.00	3,897.60
Mariana Properties Limited	-	-	-	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Particulars	31 March 2020		31 March 2019	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Mariana Real Estate Limited	-	-	21.07	-
Milkyway Buildcon Limited	-	-	12.10	-
Nav Vahan Autotech Limited	-	-	-	-
Nerissa Infrastructure Limited	11,146.58	11,146.58	11,449.88	10,388.69
Nerissa Real Estate Limited	-	-	0.50	-
Nilgiri Buildwell Limited	-	-	104.67	-
Nilgiri Infraestate Limited	-	-	0.13	-
Nilgiri Infrastructure Projects Limited	3,162.51	3,136.81	3,162.51	3,162.51
Nilgiri Land Development Limited	-	-	4.00	-
Nilgiri Lands Limited	-	-	3.00	-
Nilgiri Resources Limited	-	-	22.82	-
Noble Realtors Limited	-	-	0.10	-
Paidia Infrastructure Limited	-	-	0.20	-
Parmida Constructions Limited	-	-	1,001.56	-
Parmida Developers Limited	-	-	6.47	-
Parmida Properties Limited	1,575.49	1,575.49	1,575.24	1,575.24
Selene Buildwell Limited	-	-	241.11	-
Selene Constructions Limited	-	-	15,395.10	-
Selene Infrastructure Limited	12.00	4.00	39.97	-
Selene Properties Limited	-	-	121.82	-
Sentia Constructions Limited	-	-	279.83	-
Sentia Developers Limited	-	-	0.78	-
Sentia Infrastructure Limited	8,887.82	8,221.14	8,742.62	8,742.62
Sentia Real Estate Limited	-	-	518.06	-
Sepset Developers Limited	-	-	-	-
Sepset Real Estate Limited	-	-	12,949.50	-
Serida Constructions Limited	-	-	4.65	-
Shivalik Properties Limited	-	-	421.97	-
Sophia Constructions Limited	1,295.30	400.20	2,073.80	1,295.30
Sophia Real Estate Limited	-	-	65.54	-
Sylvanus Properties Limited	129,359.20	68,964.95	63,516.31	63,516.31
Tapir Constructions Limited	59,636.90	39,717.30	59,343.79	59,343.79
Tapir Land Development Limited	-	-	9.10	-
Tapir Realty Developers Limited	-	-	0.30	-
Tefia Land Development Limited	-	-	69.43	-
Triton Buildwell Limited	785.93	785.93	785.93	785.93
Triton Infrastructure Limited	553.07	553.07	552.87	552.87
Varali Constructions Limited	-	-	31.47	-
Varali Developers Limited	1,173.24	1,173.24	1,172.99	1,172.99
Varali Infrastructure Limited	1,902.10	-	1,902.10	1,902.10
Varali Properties Limited	-	-	1,541.20	-
Varali Real Estate Limited	-	-	101.25	-
Vindhyachal Buildwell Limited	2,954.89	2,954.89	4,444.49	2,954.69
Vindhyachal Infrastructure Limited	1,033.01	1,023.81	1,032.81	1,032.81
Yashita Buildcon Limited	-	-	15,906.50	-
Zeus Builders and Developers Limited	-	-	91.89	-
Zeus Buildwell Limited	-	-	72.94	-
Zeus Estate Limited	-	-	-	-
Zeus Properties Limited	961.91	961.11	961.91	961.91
Inter-corporate loans and advances taken				
Indiabulls Constructions Limited	116,489.00	-	110,950.00	-
Indiabulls Industrial Infrastructure Limited	11,973.45	11,973.45	10,589.00	10,329.45
Lucina Land Development Limited	-	-	10,148.00	-

Particulars	31 March 2020		31 March 2019	
	Joint Ventures		Joint Ventures	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Inter-corporate loans and advances given				
One Qube Realtors Limited (formerly Ashkit Properties Limited)	4,707.33	-	14,559.33	3,633.45
Indiabulls Properties Private Limited	8,800.00	-	30,000.00	4,737.14
Indiabulls Real Estate Company Private Limited	1,361.00	-	122,400.00	-
Yashita Buildcon Limited	-	-	15,616.49	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Information related to material related party balance outstanding:
(₹ in lakhs)

Particulars	31 March 2020 Subsidiary Companies	31 March 2019 Subsidiary Companies
Interest payable		
Indiabulls Industrial Infrastructure Limited	-	894.00
Expenses payable		
Indiabulls Infraestate Limited	-	12.18
Sentia Infrastructure Limited	-	74.43
Corporate guarantee		
Airmid Developers Limited	720.38	720.38
Athena Infrastructure Limited	1,117.10	928.36
Citra Properties Limited	70.23	343.93
Eros Limited	-	66,437.44
Indiabulls Constructions Limited	-	4,628.74
Indiabulls Estate Limited	716.59	716.59
Indiabulls Infraestate Limited	34,209.00	320.37
Juventus Estate Limited	2,636.71	2,725.34
Lucina Land Development Limited	20,025.00	40,525.00
Makala Infrastructure Limited	27.81	27.81
Mariana Infrastructure Limited	-	9,341.56
Selene Constructions Limited	1,176.66	1,351.34
Sophia Real Estate Limited	1,214.44	1,214.44
Sylvanus Properties Limited	10.00	8,343.00
Titan Limited	-	60,955.95

(₹ in lakhs)

Particulars	31 March 2020 Joint Ventures	31 March 2019 Joint Ventures
Security deposits		
Indiabulls Real Estate Company Private Limited	-	1,260.46
Trade receivables		
Opcore Services Limited (formerly Indiabulls Realty Developers Limited)	-	574.96
Yashita Buildcon Limited	-	14.34
Corporate guarantee		
Indiabulls Properties Private Limited	-	256,452.78
Indiabulls Real Estate Company Private Limited	-	246,909.35

Note 8 also suffice the requirements of schedule V (for investments) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to investments.

Note – 41
Contingent liabilities and commitments
A. Summary of contingent liabilities
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Contingent liabilities		
i) Corporate guarantees issued by the Company on behalf of subsidiary companies (refer note 40)	61,923.92	701,942.38
ii) Corporate guarantees issued by the Company on behalf of other entities	5,084.06	-
iii) Income tax demand (pending in appeals)*	1,257.91	2,041.06
iv) Service tax demand	2,714.25	1,695.25

* Out of this, ₹ 698.28 lakhs (31 March 2019: ₹ Nil) pertains to Mariana Infrastructure Limited (erstwhile wholly owned subsidiary) which has been sold during the year and as per definitive agreement, any tax demands relating to periods prior to the date of definitive agreement shall be borne by the Company.

B. Commitments

i. The Company had given Sponsors Support Undertaking ("SSU") to fund the required equity and any shortfall in means of finance by subscription to the shares of RattanIndia Power Limited, a company together promoted by RattanIndia Infrastructure Limited and RR Infra Land Private Limited, for term loan facility sanctioned to RattanIndia Power Limited ("RPL") in the event of inability of RPL to arrange the required equity support for Amravati Power Project Phase II. Under the SSU, the Company had also guaranteed to meet RPL's debt obligations in respect of Amravati Power Project Phase II in the event coal linkage for the project is cancelled/deferred and RPL fails to make any alternate arrangement of required coal six months prior to the scheduled commercial operation date of unit I of Amravati Power Project Phase II. Pursuant to the demerger of the power business from the Company vide order dated 17 October 2011 passed by the Hon'ble Delhi High Court in Company Petition No 295 of 2011, all the liabilities and obligations of the Company in relation to the power business stood transferred and vested into RattanIndia Infrastructure Limited. Furthermore, the promoters of RPL have subsequently undertaken not to drawdown any funds from such debt facilities with respect to Amravati Power Project Phase II.

ii. The Company has undertaken to provide continued financial support to certain subsidiaries as and when required.

Note – 42**Lease related disclosures as per Ind AS 116**

The Company has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company has presented its right-of-use assets in the balance sheet separately from other assets.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(₹ in lakhs)	
Particulars	31 March 2020
Short-term leases	0.28

B Total cash outflow for leases for the year ended 31 March 2020 was ₹ 813.43 lakhs.**C Total expense**

(₹ in lakhs)	
Particulars	31 March 2020
Interest on lease liabilities	217.03
Depreciation on right of use asset	893.38

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2020		(₹ in lakhs)				
		Minimum lease payments due				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Lease payments		816.68	834.85	187.44	-	1,838.97
Interest expense		141.66	65.16	2.56	-	209.38
Net present values		675.02	769.69	184.88	-	1,629.59

E Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	3	1.59 to 2.44	2.09	2	-	3

(This space has been intentionally left blank)

F Impact on transition

- 1 Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied modified retrospective approach to all lease contracts existing as at 1 April 2019. On transition, the adoption of new standard resulted in recognition of lease liabilities of ₹ 2,452.25 lakhs and corresponding right of use asset of ₹ 2,672.55 lakhs.
- 2 For contracts in place as at 1 April 2019, Company has elected to apply the definition of a lease from Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17.
- 3 The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 1 April 2019.
- 4 Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.
- 5 On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months, the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.
- 6 The Company has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.
- 7 On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.50%.
- 8 The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at 1 April 2019:

(₹ in lakhs)	
Particulars	Amount
Total operating lease commitments disclosed as at 31 March 2019	435.70
Other adjustments relating to lease commitment disclosures	2,470.08
Operating lease liabilities before discounting	2,905.78
Discounting impact (using incremental borrowing rate)	(453.53)
Operating lease liabilities	2,452.25
Finance lease obligations under Ind AS 17	-
Total lease liabilities recognised under Ind AS 116 at 1 April 2019	2,452.25

9 Bifurcation of lease liabilities at the end of the year in current and non-current

(₹ in lakhs)	
Particulars	31 March 2020
a) Current liability (amount due within one year)	769.71
b) Non-current liability (amount due over one year)	859.88
Total lease liabilities at the end of the year	1,629.59

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020
Note – 43
Employee benefits
Defined contribution plan

The Company has made ₹ 1.94 lakhs (31 March 2019 - ₹ 3.05 lakhs) contribution in respect of provident fund.

Defined Benefit Plan

The Company has the following Defined Benefit Plans:

- Gratuity (Unfunded)
- Compensated absences (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the liability.
Mortality risk	Actual death and liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact liability.

Compensated absences

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of ₹ 0.12 lakhs (31 March 2019 - ₹ 0.60 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 14.81 years (31 March 2019: 13.02 years).

Actuarial (gain)/loss on obligation:
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Actuarial (gain)/loss on arising from change in financial assumptions	0.52	0.36
Actuarial (gain) on arising from change in experience adjustment	(2.02)	(0.35)

Amount recognised in the statement of profit and loss is as under:
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Service cost	0.60	0.74
Net interest cost	0.53	0.45
Actuarial loss/(gain) for the year	(1.50)	0.01
Expense recognized in the statement of profit and loss	(0.37)	1.20

Movement in the liability recognized in the balance sheet is as under:
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	6.84	5.64
Current service cost	0.60	0.74
Interest cost	0.53	0.45
Actuarial loss/(gain) on obligation	(1.50)	0.01
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	6.47	6.84

Bifurcation of projected benefit obligation at the end of the year in current and non-current
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
a) Current liability (amount due within one year)	0.12	0.60
b) Non-current liability (amount due over one year)	6.35	6.24
Total projected benefit obligation at the end of the year	6.47	6.84

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Compensated absences	
	31 March 2020	31 March 2019
Discount rate	6.99%	7.71%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2006 -08)

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation
(₹ in lakhs)

	Year	31 March 2020	Year	31 March 2019
a)	April 2020 – March 2021	0.12	April 2019 – March 2020	0.60
b)	April 2021 – March 2022	0.11	April 2020 – March 2021	0.10
c)	April 2022 – March 2023	0.12	April 2021 – March 2022	0.10
d)	April 2023 – March 2024	0.12	April 2022 – March 2023	0.10
e)	April 2024 – March 2025	0.13	April 2023 – March 2024	0.10
f)	April 2025 – March 2026	0.14	April 2024 – March 2025	0.10
g)	April 2026 onwards	12.69	April 2025 onwards	5.74

Sensitivity analysis for compensated absences liability
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Impact of the change in discount rate		
Present value of obligation at the end of the year	6.47	6.84
a) Impact due to increase of 0.50 %	(0.37)	(0.38)
b) Impact due to decrease of 0.50 %	0.39	0.41
Impact of the change in salary increase		
Present value of obligation at the end of the year	6.47	6.84
a) Impact due to increase of 0.50 %	0.40	0.41
b) Impact due to decrease of 0.50 %	(0.37)	(0.39)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 14.81 years (31 March 2019: 13.02 years)

Actuarial (gain)/loss on obligation:
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Actuarial (gain)/loss on arising from change in demographic assumption	(0.01)	-
Actuarial (gain)/loss on arising from change in financial assumptions	1.49	1.50
Actuarial (gain) on arising from change in experience adjustment	(15.31)	(2.02)
Actuarial gain recognized in the other comprehensive income	(13.83)	(0.52)

Amount recognised in the statement of profit and loss is as under:
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Service cost	1.31	3.15
Net interest cost	2.46	2.15
Expense recognized in the statement of profit and loss	3.77	5.30

Movement in the liability recognized in the balance sheet is as under:
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	31.84	27.08
Current service cost	2.46	3.15
Interest cost	1.31	2.14
Actuarial gain on obligation	(13.83)	(0.53)
Benefit paid	(1.61)	-
Present value of defined benefit obligation at the end of the year	20.17	31.84

Bifurcation of projected benefit obligation at the end of the year in current and non-current
(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
a) Current liability (amount due within one year)	2.52	4.78
b) Non-current liability (amount due over one year)	17.65	27.06
Total projected benefit obligation at the end of the year	20.17	31.84

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2020	31 March 2019
Discount rate	6.99%	7.71%
Salary escalation rate	5.50%	5.50%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2006 -08)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation

(₹ in lakhs)

	Year	31 March 2020	Year	31 March 2019
a)	April 2020 – March 2021	2.58	April 2019 – March 2020	4.78
b)	April 2021 – March 2022	0.34	April 2020 – March 2021	0.41
c)	April 2022 – March 2023	0.35	April 2021 – March 2022	0.43
d)	April 2023 – March 2024	0.35	April 2022 – March 2023	0.44
e)	April 2024 – March 2025	0.38	April 2023 – March 2024	0.43
f)	April 2025 – March 2026	0.40	April 2024 – March 2025	0.99
g)	April 2026 onwards	35.13	April 2025 onwards	24.36

Sensitivity analysis for gratuity liability

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Impact of the change in discount rate		
Present value of obligation at the end of the year	20.17	31.84
a) Impact due to increase of 0.50 %	(1.05)	(1.57)
b) Impact due to decrease of 0.50 %	1.14	1.69
Impact of the change in salary increase		
Present value of obligation at the end of the year	20.17	31.84
a) Impact due to increase of 0.50 %	0.66	1.72
b) Impact due to decrease of 0.50 %	(0.60)	(1.61)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Note – 44
Share based payments
Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II)

During the year ended 31 March 2009, the Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, the Company issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at 29 January 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 31 January 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2020	31 March 2019
Opening balance	165,000	165,000
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	39,000	-
Closing balance	126,000	165,000
Vested and exercisable	126,000	165,000

Weighted average share exercised price during the year ended 31 March 2020: ₹ Nil (31 March 2019: ₹ Nil)

The fair value of the option under Plan II using the black scholes model, based on the following parameters is ₹ 62.79 per option, as certified by an independent valuer.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020

Particulars	Plan – II
Fair market value of option on the date of grant	₹ 62.79
Exercise price	₹ 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	10.5 Years
Expected dividend yield	3.92%
Risk free interest rate	6.50%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2010 (III)

During the year ended 31 March 2011, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 equity shares of face value of ₹ each of the Company, accordingly the Employee Stock Option Plan - 2010 ("IBREL ESOP 2010" or "Plan-III") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as the case may be decided by the board of directors or compensation committee. During the year ended 31 March 2016, board of directors of the Company at its meeting held on 26 June 2015, re-granted (original grant was of date 14 November 2015) under the "Indiabulls Real Estate Limited Employees Stock Options Plan - 2010", 10,500,000 stock options to eligible employees of the Company and its subsidiary companies representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 54.50, being the closing market price of previous day on the National Stock Exchange of India Limited. The stock options so granted, shall vest within 5 years beginning from 26 June 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan –

Particulars	31 March 2020	31 March 2019
Opening balance	6,042,950	8,049,100
Granted during the year	-	-
Exercised during the year	3,983,587	2,006,150
Forfeited during the year	350,575	-
Closing balance	1,708,788	6,042,950
Vested and exercisable	28,668	2,196,950

Weighted average share exercised price during the year ended 31 March 2020: ₹ 119.29 (31 March 2019: ₹ 178.24)

The fair value of the option under Plan III using the black scholes model, based on the following parameters is ₹34.30 per option, as certified by an independent valuer.

Particulars	Plan – III
Fair market value of option on the date of grant	₹ 34.30
Exercise price	₹ 54.50
Expected volatility	89%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	8 Years
Expected dividend yield	3.45%
Risk free interest rate	8.03%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2011 (IV)

During the year ended 31 March 2012, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot, to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 15,000,000 in number, representing 15,000,000 equity shares of face value of ₹ each, and accordingly the Employee Stock Option Scheme 2011 ("IBREL ESOS 2011") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as may be decided by the board or compensation committee. However, compensation committee of the board has not yet granted any options under IBREL ESOP 2011 Scheme.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020
Note – 45

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows. The changes in the Company's liabilities arising from financing activities can be classified as follows:

A. The changes in the Company's borrowings arising from financing activities can be classified as follows:
(₹ in lakhs)

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Interest accrued	Total
Net debt as at 1 April 2018	223,275.74	97,912.50	4,244.11	325,432.35
Proceeds from current/non-current borrowings (including current maturities)	147,732.00	809,752.20	-	957,484.20
Repayment of current/non-current borrowings (including current maturities)	(78,513.77)	(800,835.25)	-	(879,349.02)
Non-cash movement arising on account of amortisation of upfront fees and others	1,396.39	-	(1,396.39)	-
Interest expense	-	-	32,779.96	32,779.96
Interest paid	-	-	(32,399.66)	(32,399.66)
Net debt as at 31 March 2019	293,890.36	106,829.45	3,228.02	403,947.83
Proceeds from current/non-current borrowings (including current maturities)	10,114.00	315,193.00	-	325,307.00
Repayment of current/non-current borrowings (including current maturities)	(90,108.37)	(410,049.00)	-	(500,157.37)
Non-cash movement arising on account of amortisation of upfront fees and others	2,079.35	-	(2,079.35)	-
Interest expense	-	-	29,820.06	29,820.06
Interest paid	-	-	(28,415.81)	(28,415.81)
Net debt as at 31 March 2020	215,975.34	11,973.45	2,552.92	230,501.71

B. The changes in the Company's lease liabilities arising from financing activities can be classified as follows:
(₹ in lakhs)

Particulars	Amount
Lease liabilities as at 1 April 2019 (current and non-current)	2,452.25
Interest on lease liabilities	217.03
Payment of lease liabilities	(813.43)
Impact on account of termination of lease contract during the year	(226.26)
Lease liabilities as at 31 March 2020 (current and non-current)	1,629.59

Note – 46
Segment reporting

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. purchase, sale, real estate properties advisory, construction and development of real estate properties and all other related activities which as per Ind AS 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company derives its major revenues from real estate properties advisory business (largely from related parties). The Company is operating in India which is considered as a single geographical segment.

Note – 47

During the year, the Company has received the approval of the National Company Law Tribunal ('Hon'ble NCLT'), Principal Bench, New Delhi to the Scheme of Arrangement ('the Scheme') between Indiabulls Real Estate Limited ('petitioner/transferee company'), India Land and Properties Limited ('transferor company'), Indiabulls Infrastructure Limited ('resulting company') and their respective shareholders and creditors, pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Company has filed the Scheme with Registrar of Companies ('ROC') on 19 March 2020. In pursuant to the Scheme, the Company has acquired redeemable preference shares amounting to ₹ 45,000.00 lakhs issued by one of the wholly owned subsidiary of the Company and other assets amounting to ₹ 1,520.00 lakhs from the transferor company. The approval of the Scheme was part of overall transaction to divest 100% stake in resulting company (owning Chennai assets). Further, the Company has also valued the remaining stake in resulting company (classified as assets held for sale) at fair value of ₹ 9,000.12 lakhs and thus, recognising net gain on the said transaction amounting to ₹ 24,313.64 lakhs in these financial statements.

Note – 48

During the year, the Company has got a fixed consideration amounting to ₹ 13,707.00 lakhs to the Company as full and final settlement against one of its projects. As a result of this, the Company has surrendered and relinquished all its rights, titles and interest of any nature in respect of the said project. Accordingly, the Company has recognized revenue of ₹ 13,707.00 lakhs and written off the carrying cost of the inventory of ₹ 7,042.57 as cost of sales in these standalone financial statements.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020****Note – 49**

During the year, the Settlement Commission passed final orders under section 245D(4) in respect of the applications made to the Settlement Commission dated 3 October 2017. Pursuant to the orders, there has been reversal of current tax amounting to ₹ 44.02 lakhs.

Note – 50

During the year, the Board of Directors ('the Board') of the 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 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. Additionally, Embassy has also reached at an advanced stage of discussions with certain foreign financial investors ('investors') for an investment of up to USD 200 million.

Note – 51

The Company has already obtained approval of Board of Directors ('the Board') to buy-back up to 5 crore fully paid-up equity shares of face value Rs. 2 each of the Company, representing approximately 11% of its total existing paid-up equity capital, at Rs. 100 per equity share, aggregating to total buyback size of Rs. 50,000 lakhs, through the "Tender Offer" route, as prescribed under SEBI (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as amended (hereinafter referred to as the "Buyback"), post completion of on-going scheme of arrangement of Chennai assets, which has been filed by the Company with Registrar of Companies on 19 March 2020, the Company is now eligible to launch the buy-back and hence the Board constituted Buyback Committee and has advised the Company's management to initiate the process of obtaining Company's shareholders approval through the process of postal ballot to implement the proposed buy-back. The proposed buy-back is expected to be completed in the subsequent year.

Note – 52

The outbreak of Covid-19 has severely impact businesses around the world. In many countries, including India, there has been severe disruption of regular business operations due to lock down restrictions and other emergency measures imposed by the Government. The management has made a detailed assessment of its liquidity position, including recoverability/carrying values of its investments and business and other advances as at balance sheet date, however, the actual impact of Covid-19 pandemic on the Company's results remains uncertain and dependent on spread of Covid-19 and steps taken by the Government to mitigate the economic impact and may differ from that estimated as at the date of approval of these standalone financial statements.

Note – 53

As at 31 March 2020, the Company's financial assets are more than 50 per cent of its total assets (netted of by intangible assets) and income from financial assets is more than 50 per cent of the gross income of the Company. However, basis consolidated financial position, the Company's financial assets and income from financial assets does not meet the said criteria. The Company was incorporated with an objective of carrying on the business of construction and development of real estate properties and has been carrying the above business in line with the objects clauses stated in its articles of association. Accordingly, the Management basis the legal opinion obtained from an independent legal expert believes that the principal business of the Company is not that of Non-Banking Financial Company and hence it is not required to obtain certificate of registration as a Non-Banking Financial Company under section 45IA of the Reserve Bank of India Act, 1934.

Note – 54

During the year ended 31 March 2019, the Company has entered into various derivative contract with Barclays Bank PLC for sale of GBP 925.00 lakhs @ 108.01 (weighted average rate). The carrying value of underlying investments (including share application money) as at 31 March 2019 was ₹ 119,980.28 lakhs. In the current year, the Company has ended the contract.

Note – 55

During the year ended 31 March 2019, the Company has exercised its option to redeem its investments made in redeemable preference shares which were measured at amortised cost. The Company has de-recognised these during the year and related gain is recognised in statement of profit and loss.

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Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2020****Note – 56****A. Disaggregation of revenue**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from contracts with customers		
Revenue on account of settlement of existing project	13,707.00	-
Revenue from real estate properties advisory and management services	1,170.83	1,919.61

B. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

(₹ in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Receivables		
Trade receivables	-	589.36
Total receivables	-	589.36

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Note – 57

The Hon'ble Supreme Court of India has passed a judgement dated 28 February 2019 and it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Currently, the Company has not considered any impact in these financial statements.

Note – 58

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

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma

Partner

Membership No. 502103

Place: New Delhi

Date: 14 May 2020

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Place: New Delhi

Date: 14 May 2020

Vishal Gaurishanker Damani

Joint Managing Director

[DIN: 00358082]

Place: Mumbai

Date: 14 May 2020

Anil Mittal

Chief Financial Officer

Place: Gurugram

Date: 14 May 2020

Ravi Telkar

Company Secretary

Place: Mumbai

Date: 14 May 2020

Independent Auditor's Report

To the Members of Indiabulls Real Estate Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Indiabulls Real Estate Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Accounting for sale of stake in a subsidiary The Company's policies on the accounting for sale of investments is set out in note 5.6 to the standalone financial statements. During the year, the Company has executed definitive agreement to divest 100% stake in tranches in one of its wholly owned subsidiary and as part of said transaction, during the year, the Company has divested partial stake (through sale and buy back) in the said subsidiary which has resulted in loss of control. The sale resulted in recognition of profit on sale of investments amounting to ₹ 9,787.59 lakhs as presented in note 25 to the standalone financial statements. Investment held for remaining stake amounting to ₹ 29,216.56 lakhs is classified as 'Investments held for sale' as presented in note 18 to the standalone financial statements. This was fair valued on the basis of the agreed total sales consideration for the entity, and has resulted in a gain on fair valuation of ₹ 5,489.80 lakhs as disclosed in note 18 to the standalone financial statements. The above transaction required audit focus due to complex contractual terms, multiple agreements (judgement involved) and due to the significant impact on standalone financial statement, the matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	Our audit procedures in relation to the accounting for sale of stake in a subsidiary included, but not limited to the following: • Understood the nature of transaction i.e. understanding of the contract terms of multiple agreements with respect to the sale and assessing the proposed accounting treatment in relation to the accounting policies and relevant Ind AS; • Reviewed the management's process for review and implementation of such transactions; • Tested the completeness and accuracy of the data used in the computation of profit on sale of investments and gain on fair valuation of the remaining stake; and • Ensured appropriate disclosures in the standalone financial statements with respect to sale of stake in the subsidiary.
Impairment assessment of investments and loans made to its subsidiaries and joint ventures The Company's policies on the impairment assessment of the investments and loans is set out in note 5.12 to the standalone financial statements. The Company has made investments amounting to ₹ 597,518.31 lakhs and has	Our procedures in relation to the impairment assessment of investments and loans included, but not limited to the following: • Assessed the appropriateness of the Company's accounting policy by comparing with applicable Ind AS.

Key audit matter	How our audit addressed the key audit matter
given loans amounting to ₹ 361,000.12 lakhs to its subsidiaries and joint ventures as at 31 March 2019 as disclosed under the note 8A, 8B and note 9B to the standalone financial statements. Impairment assessment of these investments and loans is considered as a significant risk as there is a risk that recoverability of the investments and loans could not be established, and potential impairment charge might be required to be recorded in the standalone financial statements. The recoverability of these investments is inherently subjective due to reliance on either the net worth of investee or valuations of the properties held or cash flow projections of real estate properties in these investee companies. However, due to their materiality in the context of the Company's financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.	• We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing. • Enquired of the management and understood the internal controls related to completeness of the list of loans and investment along with the process followed to recover/adjust these and assessed whether further provisioning is required. • Performed test of details: a. For all significant additions made during the year, underlying supporting documents were verified to ensure that the transaction has been accurately recorded in the standalone financial statement; b. For all significant investments and loans outstanding as at 31 March 2019, confirmations were circulated and received. Further, all the significant reconciling items were tested; c. All material investments and significant loans as at 31 March 2019 were discussed on case to case basis with the management for their plan of recovery/adjustment; d. Compared the carrying value of material investments and significant loans to the net assets of the underlying entity, to identify whether the net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount; and e. Wherever the net assets were lower than the recoverable amount, for material amounts: i. We obtained and verified the management certified cash flow projections of real estate properties and tested the underlying assumptions used by the management in arriving at those projections; ii. We challenged the managements on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; iii. We obtained and verified the valuation of land parcels as per the government prescribed circle rates; and iv. We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those charged with governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 April 2019 as per Annexure B expressed unmodified opinion; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 38A to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

Place: Gurugram
Date: 23 April 2019

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2019

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has granted interest free as well as interest bearing unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
 - (b) the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount and the interest are regular, except for the loans given to the companies which are interest free; and
 - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2019

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Disallowance under section 14A	146.26	-	Assessment Year 2009-10	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	161.88	-	Assessment Year 2010-11	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	213.05	-	Assessment Year 2011-12	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A and interest under section 234C	1,272.21	-	Assessment Year 2012-13	Income Tax Appellate Tribunal
Income-tax Act, 1961	Disallowance of employee stock option expense under section 14A and section 32	247.66	-	Assessment Year 2013-14	Commissioner of Income Tax (Appeals)
The Finance Act, 2004 and Service tax rules	Denial of service tax input credit	1,695.25	-	Assessment year 2011-12 to 2014-15	Assistant Commissioner of Service Tax

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or any dues to debenture-holders during the year. Further, the Company has no loans or borrowings payable to financial institution or government during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (equity instruments). In our opinion, the Company has applied money raised by issuance of non-convertible debt instruments and the term loans for the purposes for which those were raised.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2019

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) As detailed in Note 44 to the financial statement, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

Place: Gurugram
Date: 23 April 2019

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2019

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Indiabulls Real Estate Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Real Estate Limited, on the standalone financial statements for the year ended 31 March 2019

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Sharma

Partner

Membership No.: 502103

Place: Gurugram

Date: 23 April 2019

Indiabulls Real Estate Limited
Balance sheet as at 31 March 2019

	Note	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
I ASSETS			
Non-current assets			
Property, plant and equipment	6	221.12	218.79
Intangible assets	7	1.66	8.79
Financial assets			
Investments	8 A	608,812.33	660,210.24
Loans	9 A	1,290.22	13,814.11
Other financial assets	10 A	16,920.24	-
Deferred tax assets (net)	11	3,838.58	8,240.20
Non-current tax assets (net)	12	10,666.87	9,693.82
Other non-current assets	13 A	58.85	129.12
		641,809.87	692,315.07
Current assets			
Inventories	14	7,132.76	7,132.76
Financial assets			
Investments	8 B	901.04	29,338.84
Trade receivables	15	589.36	185.19
Cash and cash equivalents	16	2,648.73	1,319.98
Other bank balances	17	5,970.75	5,420.05
Loans	9 B	369,207.25	281,587.01
Other financial assets	10 B	2.03	2.13
Other current assets	13 B	2,911.79	1,962.86
Assets held for sale	18	34,706.36	-
		424,070.07	326,948.82
		1,065,879.94	1,019,263.89
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	19 A	9,013.61	9,493.48
Other equity	20	645,162.54	682,769.45
		654,176.15	692,262.93
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21 A	210,143.94	144,971.15
Provisions	22 A	33.30	29.78
		210,177.24	145,000.93
Current liabilities			
Financial liabilities			
Borrowings	21 B	106,829.45	97,912.50
Other financial liabilities	23	87,914.53	83,802.65
Other current liabilities	24	6,777.19	281.94
Provisions	22 B	5.38	2.94
		201,526.55	182,000.03
		1,065,879.94	1,019,263.89

Summary of significant accounting policies 5
The accompanying notes are an integral part of the standalone financial statements

This is the standalone balance sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No. 502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Gurugram
Date: 23 April 2019

Anil Mittal
Chief Financial Officer

Ravi Telkar
Company Secretary

Indiabulls Real Estate Limited
Statement of profit and loss for the year ended 31 March 2019

	Note	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Revenue			
Revenue from operations	25	11,707.20	8,235.59
Other income	26	25,051.19	30,085.50
Net gain on de-recognition of financial asset carried at amortised cost	49	18,713.45	-
		55,471.84	38,321.09
Expenses			
Employee benefits expense	27	633.51	573.07
Finance costs	28	33,042.13	36,089.11
Depreciation and amortisation expense	29	83.78	97.56
Other expenses	30	6,709.79	3,177.56
		40,469.21	39,937.30
Profit / (loss) before tax		15,002.63	(1,616.21)
Tax expenses	31		
Current tax (refer note 45)		-	141.22
Deferred tax charge		4,401.44	217.92
Profit / (loss) after tax		10,601.19	(1,975.35)
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Net loss on equity instruments through other comprehensive income		(5,366.73)	(6,571.50)
Re-measurement gains on defined benefit plans		0.53	1.23
Income tax effect		(0.18)	(0.42)
Other comprehensive income		(5,366.38)	(6,570.69)
Total comprehensive income for the year		5,234.81	(8,546.04)
Earnings per equity share	32		
Basic (₹)		2.32	(0.42)
Diluted (₹)		2.32	(0.42)

Summary of significant accounting policies 5
The accompanying notes are an integral part of the standalone financial statements

This is the standalone statement of profit and loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No. 502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Gurugram
Date: 23 April 2019

Anil Mittal
Chief Financial Officer

Ravi Telkar
Company Secretary

Indiabulls Real Estate Limited
Cash flow statement for the year ended 31 March 2019

	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
A Cash flow from operating activities:		
Profit/(loss) before tax	15,002.63	(1,616.21)
<i>Adjustments for:</i>		
Interest on income tax	2.14	39.94
Interest on borrowings	32,779.96	35,864.17
Depreciation and amortisation expenses	83.78	97.56
Other borrowing costs	260.03	185.00
Profit on sale of property, plant and equipment (net)	(1.32)	(2.89)
Excess provision/liabilities written back	(70.16)	(0.47)
Impairment of non-financial assets	-	251.50
Non current investment written off	105.00	-
Impairment in value of investments	3,661.00	61.12
Impairment of loans (expected credit loss)	-	233.83
Interest income	(20,888.37)	(27,495.62)
Dividend income	-	(615.53)
Provision for employee benefits	6.49	10.67
Share based payment expense	237.39	400.33
Income on fair valuation of financial assets	(0.04)	(547.97)
Net gain on de-recognition of financial asset carried at amortised cost	(18,713.45)	-
Mark to market gain on derivative contracts	(3,242.41)	-
Profit on sale of investments (net)	(10,607.22)	(2,278.30)
Operating (loss)/profit before working capital changes and other adjustments:	(1,384.55)	4,587.13
<i>Working capital changes and other adjustments:</i>		
(Increase)/decrease in trade receivables	(404.17)	3.39
Increase in loans	(17.85)	(8,198.24)
Increase in others current and non-current assets	(874.41)	(489.31)
Decrease/(increase) in other current and non-current financial assets	0.10	(1.13)
Decrease in other financial liabilities	(241.91)	(81.93)
Increase in other current liabilities	6,495.25	37.74
Cash flow from/(used in) operating activities	3,572.46	(4,142.35)
Income taxes paid (net)	(975.19)	(1,589.33)
Net cash flow from/(used in) operating activities	2,597.27	(5,731.68)
B Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(83.25)	-
Proceeds from sale of property, plant and equipment	1.34	2.97
Dividend received	-	615.53
Movement in fixed deposits (net)	(9,312.73)	3,573.56
Proceeds from sale/(purchase) of investments - mutual funds (net)	29,257.47	(18,968.82)
Share application money given	(5,000.00)	-
Sale of investments - bonds	-	1.80
Investment in subsidiary companies		
Purchase of investments - equity shares	(12,332.58)	(69,932.05)
Purchase of investments - debentures	(6.41)	(3,587.76)
Investment in subsidiary companies		
Proceeds from sale of investments - equity shares	29,799.55	7,410.00
Proceeds from sale of investments - preference shares	-	24.11
Proceeds from sale of investment - beneficiary trust	-	88,215.00
Proceeds from redemption of investments - debentures	-	13,350.70
Proceeds from redemption of investments - preference shares	25,177.00	-
Inter-corporate loans and advances (given to)/received back from subsidiary companies (net)	(73,650.67)	21,103.90
Inter-corporate loans and advances given to joint ventures (net)	(8,370.59)	-
Inter-corporate loans and advances received back from others (net)	-	923.00
Interest received	21,449.76	29,272.29
Net cash (used in)/flow from investing activities	(3,071.11)	72,004.23

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Indiabulls Real Estate Limited
Cash flow statement for the year ended 31 March 2019 (cont'd)

	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
C Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	1,093.36	1,319.36
Buyback of equity shares	(44,766.26)	(5,196.67)
Proceeds from borrowings from banks	98,000.00	14,878.40
Repayment of borrowings to banks	(10,013.77)	(12,812.42)
Proceeds from issue of debentures	49,732.00	56,369.37
Redemption of debentures	(68,500.00)	(104,000.00)
Proceeds from issue of commercial paper	423,000.00	706,500.00
Repayment of commercial paper	(414,000.00)	(659,000.00)
Inter-corporate borrowings taken	386,752.20	370,545.44
Inter-corporate borrowings repaid	(386,835.25)	(398,323.94)
Interest paid	(32,399.66)	(39,428.20)
Other borrowing costs	(260.03)	(185.00)
Net cash flow from/(used in) financing activities	1,802.59	(69,333.66)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,328.75	(3,061.11)
E Cash and cash equivalents at the beginning of the year	1,319.98	4,381.09
F Cash and cash equivalents at the end of the year (D+E)	2,648.73	1,319.98

	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
a) Cash and cash equivalents includes (refer note 16):		
Cash on hand	0.12	-
Balances with banks		
In current accounts	2,648.61	1,319.98
	2,648.73	1,319.98

This is the standalone cash flow statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of board of directors

Neeraj Sharma
Partner
Membership No. 502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Place: Gurugram
Date: 23 April 2019

Anil Mittal
Chief Financial Officer

Ravi Telkar
Company Secretary

Indiabulls Real Estate Limited
Statement of changes in equity for the year ended 31 March 2019

A Equity share capital*

(₹ in lakhs)

Particulars	Balance as at 1 April 2017	Issue of equity share capital during the year	Buyback of equity share capital during the year	Balance as at 31 March 2018	Issue of equity share capital during the year	Buyback of equity share capital during the year	Balance as at 31 March 2019
Equity share capital	9,568.29	41.11	(115.92)	9,493.48	40.13	(520.00)	9,013.61

B Other equity**

(₹ in lakhs)

Description	Reserves and surplus							Other comprehensive income	Total
	General reserve	Capital reserve	Debenture redemption reserve	Capital redemption reserve	Deferred employee compensation reserve	Securities premium	Retained earnings	Fair valuation of equity instruments	
Balance as at 1 April 2017	51,265.03	27,720.50	26,125.00	1,565.00	2,915.23	492,777.61	(6,515.07)	11,352.58	607,205.87
Loss for the year	-	-	-	-	-	-	(1,975.35)	-	(1,975.35)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Re-measurement gain on defined benefit plans (net of tax)	-	-	-	-	-	-	0.81	-	0.81
Net loss on equity instruments through other comprehensive income	-	-	-	-	-	-	-	(6,571.50)	(6,571.50)
Share based options for employees of subsidiaries	-	-	-	-	146.79	-	-	-	146.79
Issue of equity shares (including exercise of stock options)	-	-	-	-	(847.94)	2,126.18	-	-	1,278.24
Sale of treasury shares (refer note 48)	-	-	-	-	-	87,365.00	-	-	87,365.00
Buy back of equity shares	-	-	-	-	-	(5,080.75)	-	-	(5,080.75)
Transfer from retained earnings on account of buyback of equity shares	-	-	-	115.92	-	-	(115.92)	-	-
Share based payment expense	-	-	-	-	400.33	-	-	-	400.33
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(229.24)	-	229.24	-	-
Balance as at 31 March 2018	51,265.03	27,720.50	26,125.00	1,680.92	2,385.17	577,188.04	(8,376.29)	4,781.08	682,769.45
Profit for the year	-	-	-	-	-	-	10,601.19	-	10,601.19
Other comprehensive income	-	-	-	-	-	-	-	-	-
Re-measurement gain on defined benefit plans (net of tax)	-	-	-	-	-	-	0.35	-	0.35
Net loss on equity instruments through other comprehensive income	-	-	-	-	-	-	-	(5,366.73)	(5,366.73)
Share based options for employees of subsidiaries	-	-	-	-	113.92	-	-	-	113.92
Issue of equity shares (including exercise of stock options)	-	-	-	-	(784.81)	1,838.04	-	-	1,053.23
Buy back of equity shares	-	-	-	-	-	(44,246.26)	-	-	(44,246.26)
Transfer from retained earnings on account of buyback of equity shares	-	-	-	520.00	-	-	(520.00)	-	-
Transfer from retained earnings on account of creation of debenture redemption reserve	-	-	937.50	-	-	-	(937.50)	-	-
Share based payment expense	-	-	-	-	237.39	-	-	-	237.39
Balance as at 31 March 2019	51,265.03	27,720.50	27,062.50	2,200.92	1,951.67	534,779.82	767.75	(585.65)	645,162.54

*Refer note 19 for details

**Refer note 20 for details

This is the standalone statement of changes in equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No. 502103

Gurbans Singh
Joint Managing Director
[DIN: 06667127]

Vishal Gaurishanker Damani
Joint Managing Director
[DIN: 00358082]

Anil Mittal
Chief Financial Officer

Ravi Telkar
Company Secretary

Place: Gurugram
Date: 23 April 2019

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

1. Nature of principal activities

Indiabulls Real Estate Limited ('the Company') was incorporated on 04 April 2006 with the main objects of carrying on the business of real estate properties advisory, properties marketing, maintenance of completed properties, engineering, industrial and technical consultancy, construction and development of real estate properties and other related and ancillary activities. The Company is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi – 110001.

2. General information and statement of compliance with Ind AS

These standalone financial statements ("financial statements") of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ("MCA")), as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 23 April 2019. The revisions to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of accounting

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Recent accounting pronouncement

Ind AS 116, Leases

On 30 March 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 12, Income taxes

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Amendment to Ind AS 19, Employee benefits

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 23, Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 23 "Borrowing Costs" clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 109, Financial instruments

On 30 March 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

5. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

5.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

5.2 Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Asset class	Useful life
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

5.3 Intangible assets

Recognition and initial measurement

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period in the four years from the date of its acquisition.

De-recognition

Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

5.4 Asset held for sale

Non-current assets are classified as held for sale if their sale is considered highly probable. They are measured at fair value less cost to sell.

5.5 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

5.6 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Revenue from real estate properties advisory and management services

Income arising from real estate properties advisory services is recognised in the period in which the services are being rendered. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying business

Profit on sale of investments of entities in the real estate business is recognised in the year in such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Gain on amortised cost financial assets

Gain on de-recognition of amortised cost financial assets is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

5.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

5.8 Operating leases

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

5.9 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

5.10 Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

5.11 Investments

Investment in equity instruments of subsidiaries and joint ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'.

5.12 Financial instruments

Non-derivative financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

- i. **Debt instruments at amortised cost** – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Equity investments** – All equity investments in scope of 'Ind AS 109 Financial Instruments' ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).
- iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivatives

The Company has entered into certain forward (derivative) contracts to hedge risks. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense for the period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.13 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

5.14 Income taxes

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside Statement of Profit or Loss (either in other comprehensive income or in equity).

5.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

5.16 Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of real estate properties under development, as the case may be. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Defined benefit plan

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

5.17 Share based payments

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefit expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

5.18 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

5.19 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

5.20 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Note - 6

Property, plant and equipment	(₹ in lakhs)						
	Building	Plant and equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Gross block amount							
As at 1 April 2017	0.63	1,247.19	186.04	205.40	262.65	573.63	2,475.54
Additions	-	-	-	-	-	-	-
Disposals/assets written off	0.63	0.38	153.42	164.89	44.34	22.02	385.68
As at 31 March 2018	-	1,246.81	32.62	40.51	218.31	551.61	2,089.86
Additions	-	-	3.57	3.29	11.05	61.09	79.00
Disposals/assets written off	-	41.95	1.20	1.86	-	10.54	55.55
Balance as at 31 March 2019	-	1,204.86	34.99	41.94	229.36	602.16	2,113.31
Accumulated depreciation							
As at 1 April 2017	0.63	1,211.48	166.48	188.93	131.36	467.42	2,166.30
Charge for the year	-	17.35	8.49	11.41	30.11	23.02	90.38
Disposals/assets written off	0.63	0.38	153.38	164.89	44.31	22.02	385.61
As at 31 March 2018	-	1,228.45	21.59	35.45	117.16	468.42	1,871.07
Charge for the year	-	12.36	5.91	4.43	25.38	28.57	76.65
Disposals/assets written off	-	41.95	1.18	1.86	-	10.54	55.53
Balance as at 31 March 2019	-	1,198.86	26.32	38.02	142.54	486.45	1,892.19
Net block as at 31 March 2018	-	18.36	11.03	5.06	101.15	83.19	218.79
Net block as at 31 March 2019	-	6.00	8.67	3.92	86.82	115.71	221.12

Note - 7

Intangible assets	(₹ in lakhs)	
	Softwares	Total
Gross block amount		
As at 1 April 2017	422.84	422.84
Additions	-	-
Disposals/assets written off	54.22	54.22
As at 31 March 2018	368.62	368.62
Additions	-	-
Disposals/assets written off	-	-
Balance as at 31 March 2019	368.62	368.62
Accumulated amortisation		
As at 1 April 2017	406.87	406.87
Charge for the year	7.18	7.18
Disposals/assets written off	54.22	54.22
As at 31 March 2018	359.83	359.83
Charge for the year	7.13	7.13
Balance as at 31 March 2019	366.96	366.96
Net block as at 31 March 2018	8.79	8.79
Net block as at 31 March 2019	1.66	1.66

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019		31 March 2018	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Note - 8				
A Investments - non-current*				
(i) Investment in equity shares**				
Others - quoted				
RattanIndia Power Limited#	219,050,000	5,914.35	219,050,000	11,281.08
Subsidiaries - unquoted				
Airmid Developers Limited	98,039	18.00	98,039	18.00
Albasta Constructions Limited	50,000	5.00	50,000	5.00
Albasta Properties Limited	50,000	5.00	50,000	5.00
Albasta Real Estate Limited	50,000	5.00	50,000	5.00
Albina Properties Limited	50,000	5.00	50,000	5.00
Angina Properties Limited	50,000	5.00	50,000	5.00
Angles Constructions Limited	50,000	5.00	50,000	5.00
Apesh Constructions Limited	50,000	5.00	50,000	5.00
Apesh Properties Limited	50,000	5.00	50,000	5.00
Apesh Real Estate Limited	50,000	5.00	50,000	5.00
Athena Builders and Developers Limited	50,000	5.00	50,000	5.00
Athena Buildwell Limited	50,000	137.71	50,000	137.71
Athena Infrastructure Limited^^	98,039	142.76	98,039	127.91
Athena Land Development Limited	50,000	5.00	50,000	5.00
Aurora Builders and Developers Limited	50,000	5.00	50,000	5.00
Bridget Builders and Developers Limited@@@ (from 12 June 2018)	50,000	4,670.20	0	-
Catherine Builders and Developers Limited@@@ (from 12 June 2018)	50,000	4,251.30	0	-
Ceres Estate Limited	75,000,000	14,995.00	75,000,000	14,995.00
Ceres Land Development Limited	50,000	5.00	50,000	5.00
Ceres Properties Limited	50,000	5.00	50,000	5.00
Citra Developers Limited	50,000	5.00	50,000	5.00
Citra Properties Limited	98,039	14.61	98,039	14.61
Cobitis Buildwell Limited	50,000	5.00	50,000	5.00
Cobitis Real Estate Limited	50,000	5.00	50,000	5.00
Devona Developers Limited	50,000	5.00	50,000	5.00
Diana Infrastructure Limited	50,000	5.00	50,000	5.00
Edesia Constructions Limited	50,000	5.00	50,000	5.00
Edesia Developers Limited	50,000	5.00	50,000	5.00
Edesia Infrastructure Limited	50,000	5.00	50,000	5.00
Elena Constructions Limited	50,000	5.00	50,000	5.00
Elena Properties Limited	50,000	5.00	50,000	5.00
Fama Properties Limited	50,000	5.00	50,000	5.00
Flora Land Development Limited	50,000	5.00	50,000	5.00
Formax Real Estate Limited	98,039	9.80	98,039	9.80
Hecate Power and Land Development Limited	50,000	5.00	50,000	5.00
Hermes Builders and Developers Limited	50,000	5.00	50,000	5.00
IB Holdings Limited	50,000	5.00	50,000	5.00
Indiabulls Buildcon Limited	668,920	5,404.95	668,920	5,404.95
Indiabulls Commercial Assets Limited	50,000	5.00	50,000	5.00
Indiabulls Communication Infrastructure Limited	50,000	5.00	50,000	5.00
Indiabulls Constructions Limited^^	50,000	127.54	50,000	116.01
Indiabulls Estate Limited	3,274,734	8,353.25	3,274,734	8,353.25
Indiabulls Hotel Properties Limited	50,000	5.00	50,000	5.00
Indiabulls Housing and Constructions Limited	50,000	5.00	50,000	5.00
Indiabulls Housing And Land Development Limited	50,000	5.00	50,000	5.00
Indiabulls Housing Developers Limited	50,000	5.00	50,000	5.00
Indiabulls Industrial Infrastructure Limited^^	65,000,000	6,533.82	65,000,000	6,530.00
Indiabulls Infraestate Limited	227,440	162,620.95	227,440	162,620.95
Indiabulls Infratech Limited	50,000	5.00	50,000	5.00
Indiabulls Lands Limited	50,000	5.00	50,000	5.00
Indiabulls Multiplex Services Limited	50,000	67.36	50,000	67.36
Indiabulls Natural Resources Limited	50,000	5.00	50,000	5.00
Indiabulls Projects Limited	100,000,000	10,000.00	100,000,000	10,000.00
Indiabulls Real Estate Builders Limited	50,000	5.00	50,000	5.00
Indiabulls Real Estate Developers Limited	50,000	5.00	50,000	5.00
Indiabulls Realty Company Limited	50,000	5.00	50,000	5.00
Indiabulls Software Parks Limited	50,000	5.00	50,000	5.00
Ivonne Infrastructure Limited	50,000	5.00	50,000	5.00
Juventus Estate Limited^^	98,039	112.82	98,039	102.92
Lakisha Infrastructure Limited	50,000	5.00	50,000	5.00
Lakisha Real Estate Limited	10,000,000	1,000.00	10,000,000	1,000.00
Balance carried forward		224,594.42		220,999.55

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
		(₹ in lakhs)		(₹ in lakhs)
Balance carried over		224,594.42		220,999.55
Lenus Constructions Limited	50,000	5.00	50,000	5.00
Lenus Infrastructure Limited	50,000	5.00	50,000	5.00
Lenus Properties Limited	50,000	5.00	50,000	5.00
Linnet Constructions Limited	50,000	5.00	50,000	5.00
Linnet Developers Limited	50,000	5.00	50,000	5.00
Linnet Infrastructure Limited	50,000	5.00	50,000	5.00
Linnet Properties Limited	50,000	5.00	50,000	5.00
Linnet Real Estate Limited	50,000	5.00	50,000	5.00
Loon Infrastructure Limited	50,000	5.00	50,000	5.00
Loon Land Development Limited	50,000	5.00	50,000	5.00
Lorena Builders Limited	50,000	5.00	50,000	5.00
Lucina Constructions Limited	50,000	5.00	50,000	5.00
Lucina Land Development Limited^^	50,000	193.43	50,000	162.63
Mabon Constructions Limited	50,000	40.68	50,000	40.68
Mabon Properties Limited	50,000	5.00	50,000	5.00
Makala Infrastructure Limited	50,000	5.00	50,000	5.00
Manjola Infrastructure Limited	50,000	5.00	50,000	5.00
Manjola Real Estate Limited	50,000	5.00	50,000	5.00
Mariana Constructions Limited	50,000	21.12	50,000	21.12
Mariana Developers Limited	50,000	5.00	50,000	5.00
Mariana Infrastructure Limited	50,000	5.00	50,000	5.00
Mariana Real Estate Limited	50,000	612.99	50,000	612.99
Nilgiri Infraestate Limited	50,000	5.00	50,000	5.00
Nilgiri Infrastructure Projects Limited	50,000	5.00	50,000	5.00
Nilgiri Resources Limited	50,000	5.00	50,000	5.00
Parmida Constructions Limited	50,000	5.00	50,000	5.00
Parmida Developers Limited	50,000	5.00	50,000	5.00
Parmida Properties Limited	50,000	5.00	50,000	5.00
Selene Builders and Developers Limited	50,000	5.00	50,000	5.00
Selene Constructions Limited^^	98,039	38.41	98,039	35.33
Selene Infrastructure Limited	10,000,000	1,000.00	10,000,000	1,000.00
Selene Land Development Limited	50,000	5.00	50,000	5.00
Sentia Constructions Limited	50,000	39.00	50,000	39.00
Sentia Infrastructure Limited	50,000	5.00	50,000	5.00
Sentia Real Estate Limited	50,000	5.00	50,000	5.00
Sepset Developers Limited	50,000	5.00	50,000	5.00
Serpentes Constructions Limited	50,000	5.00	50,000	5.00
Sophia Constructions Limited	50,000	5.00	50,000	5.00
Sophia Real Estate Limited	50,000	5.00	50,000	5.00
Sylvanus Properties Limited^^	10,000,000	1,224.05	10,000,000	1,184.11
Tapir Constructions Limited	50,000	5.00	50,000	5.00
Tapir Land Development Limited	50,000	5.00	50,000	5.00
Triton Estate Limited	50,000	5.00	50,000	5.00
Triton Properties Limited	50,000	5.00	50,000	5.00
Varali Constructions Limited	50,000	5.00	50,000	5.00
Varali Infrastructure Limited	50,000	1,441.22	50,000	1,441.22
Varali Properties Limited	50,000	5.00	50,000	5.00
Varali Real Estate Limited	50,000	5.00	50,000	5.00
Vindhyachal Land Development Limited	50,000	5.00	50,000	5.00
Zeus Buildwell Limited	50,000	5.00	50,000	5.00
Zeus Estate Limited	50,000	5.00	50,000	5.00
Century Limited (face value of GBP 1 each)	127,052,057	114,980.28	127,052,057	114,980.28
Dev Property Development Limited (face value Pence 1)	138,000,000	109,190.44	138,000,000	109,190.44
Grand Limited (face value of GBP 1 each)	1,000	0.99	1,000	0.99
Shoxell Holdings Limited (face value Euro 1)	1,040	6,995.88	1,040	6,995.88
Alexander Transport Solutions Limited@@	-	-	50,000	5.00
Ashkit Developers Limited@@	-	-	50,000	5.00
Chloris Constructions Limited@@	-	-	50,000	5.00
Echo Facility Services Limited@@	-	-	50,000	5.00
Edesia Properties Limited@@	-	-	50,000	5.00
Elena Real Estate Limited@@	-	-	50,000	5.00
Balance carried forward		460,582.91		456,944.22

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019		31 March 2018	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Balance carried over		460,582.91		456,944.22
Indiabulls Developers and Infrastructure Limited@@@	-	-	50,000	5.00
Indiabulls Energy Limited@@	-	-	50,000	5.00
Indiabulls Home Developers Limited@@@	-	-	50,000	5.00
Indiabulls Infrabuild Limited@@	-	-	50,000	5.00
Indiabulls Infrastructure Limited (refer note 46)	-	-	7,609,093	54,718.32
Indiabulls Malls Limited@@	-	-	50,000	5.00
Indiabulls Property Developers Limited@@@	-	-	50,000	5.00
Indiabulls Road and Infrastructure Services Limited@@@	-	-	50,000	5.00
Ivonne Developers Limited@@@	-	-	50,000	5.00
Ivonne Real Estate Limited@@@	-	-	50,000	5.00
Jwalaji Buildtech Limited@@@	-	-	50,000	5.00
Lakisha Developers Limited@@@	-	-	50,000	5.00
Lenus Developers Limited@@@	-	-	50,000	5.00
Lenus Real Estate Limited@@@	-	-	50,000	5.00
Mabon Developers Limited@@@	-	-	50,000	5.00
Mabon Real Estate Limited@@@	-	-	50,000	5.00
Maximus Entertainments Limited@@@	-	-	50,000	5.00
Nav Vahan Autotech Limited@@@	-	-	50,000	5.00
Parmida Infrastructure Limited@@@	-	-	50,000	5.00
Parmida Real Estate Limited@@@	-	-	50,000	5.00
Serida Constructions Limited@@@	-	-	50,000	5.00
Serpentes Builders and Developers Limited@@@	-	-	50,000	5.00
Tapir Realty Developers Limited@@@	-	-	50,000	5.00
Ashkit Properties Limited@ (till 27 December 2018)	-	-	50,000	5.00
Yashita Buildcon Limited@ (till 27 December 2018)	-	-	50,000	5.00
Joint Ventures - unquoted				
Yashita Buildcon Limited@ (from 28 December 2018)	50,000	5.00	-	-
Ashkit Properties Limited@ (from 28 December 2018)	67,603	3,416.08	-	-
Sub-total		464,003.99		511,782.54
Less: Impairment in the value of investments		3,687.12		61.12
Sub-total (A)		460,316.87		511,721.42
(ii) Investment in preference shares##				
Subsidiaries - unquoted				
Airmid Developers Limited (0.0001% compulsorily convertible preference shares)	592,664	160.43	592,664	160.43
Athena Infrastructure Limited (0.0001% compulsorily convertible preference shares)	314,099	38.63	314,099	38.63
Citra Properties Limited (0.0001% compulsorily convertible preference shares)	170,284	34.06	170,284	34.06
Fornax Real Estate Limited (0.0001% compulsorily convertible preference shares)	547,632	5,476.32	547,632	5,476.32
Indiabulls Estate Limited (14% optionally convertible preference shares)	20,633,954	0.77	20,633,954	0.77
Juventus Estate Limited (0.0001% compulsorily convertible preference shares)	355,627	117.43	355,627	117.43
Selene Constructions Limited (0.0001% compulsorily convertible preference shares)	391,519	49.23	391,519	49.23
Sub-total (B)		5,876.87		5,876.87

	31 March 2019		31 March 2018	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
(iii) Investment in debentures				
Subsidiaries - unquoted				
Optionally convertible debentures[^]				
Airmid Developers Limited	1,210,500	32,031.22	1,210,500	32,031.22
Athena Infrastructure Limited	642,000	7,718.94	642,000	7,718.94
Citra Properties Limited	348,500	6,813.18	348,500	6,813.18
Indiabulls Estate Limited	317,081	6,961.46	317,081	6,961.46
Juventus Estate Limited	1,096,893	27,158.96	1,096,893	27,158.96
Selene Constructions Limited	800,000	9,833.69	800,000	9,833.69
Compulsorily convertible debentures				
Indiabulls Infraestate Limited (face value of ₹10 each and 12% coupon rate)	458,150,617	45,815.06	458,150,617	45,815.06
Joint ventures - unquoted				
Compulsorily convertible debentures				
Yashita Buildcon Limited (face value of ₹10 each and Nil coupon rate) (from 28 December 2018)	100	6.41	-	-
Sub-total (C)		136,338.92		136,332.51
(iv) Investment in bonds^{^^}				
Others - unquoted				
HDFC Bank Limited (Coupon rate 8.44%)	8	878.41	8	878.41
Housing Development Finance Corporation Limited (Coupon rate 8.45%)	20	2,147.71	20	2,147.71
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	12	1,293.87	12	1,293.87
Housing Development Finance Corporation Limited (Coupon rate 8.35%)	10	1,097.97	10	1,097.74
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	7	751.77	7	751.77
LIC Housing Finance Limited (Coupon rate 8.47% and face value of ₹ 1,000,000 each)	10	109.94	10	109.94
Sub-total (D)		6,279.67		6,279.44
Grand Total (A+B+C+D)		608,812.33		660,210.24
Aggregate book value of unquoted investments		602,897.98		648,929.16
Aggregate book value and market value of quoted investments		5,914.35		11,281.08
Impairment in the value of investments		3,687.12		61.12

*All the investment in subsidiaries and joint ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'

**Face value of ₹ 10 each unless otherwise stated.

#This investment (being strategic in nature) is measured at fair value through other comprehensive income ('FVOCI'). The above values represents the fair values as at the end of the respective reporting year. No dividends have been received from such investments during the year.

Face value of ₹ 1,000 each unless otherwise stated

^ Face value of ₹ 1,000 each and coupon rate is 0.0001%, unless otherwise stated

^^Face value of ₹ 10,000,000 each unless otherwise stated

^^^The investments include the investment booked for subsidiaries on account of stock options issued to employees of those subsidiaries

@During the year, the Company has divested 50% stake at an aggregate enterprises value of approximately ₹ 46,400 lakhs to the entities controlled by the Blackstone Group L.P. with this, these wholly owned subsidiaries have become Joint Ventures.

@@During the year, these wholly owned subsidiaries of the Company have been voluntarily dissolved and have been struck off from the register of companies.

@@@During the year, the Company has made direct investments in these companies which were earlier held by its then wholly owned subsidiary Indiabulls Infrastructure Limited.

B Investments - current

(i) Investment in preference shares

Subsidiaries - unquoted

	31 March 2019		31 March 2018	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Makala Infrastructure Limited (0.001% non-convertible redeemable preference shares, face value of ₹ 10 each)	9,000,000	900.00	9,000,000	900.00
		900.00		900.00
(ii) Investment in mutual funds (quoted)				
DHFL Pramerica Insta Cash Plus fund Direct Plan - Annual Bonus [Nil unit (31 March 2018: 6,020,462.16 units)]		-		8,216.00
Indiabulls Mutual Fund [Nil unit (31 March 2018: 1,190,806.46 units)]		-		20,222.84
Indiabulls Savings Fund - Direct Plan- Growth [100 units (31 March 2018: Nil unit)]		1.04		-
		1.04		28,438.84
		901.04		29,338.84
Aggregate book value of unquoted investments		900.00		900.00
Aggregate book value and market value of quoted investments		1.04		28,438.84

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
Note - 9		
A Loans - non current		
Loans receivables considered good - unsecured		
Security deposits given to joint ventures (refer note 37)	1,260.46	1,107.36
Security deposits given to others	29.76	17.09
Loan component of redeemable financial instruments	-	12,689.66
	1,290.22	13,814.11
B Loans - current		
Loans receivables considered good - unsecured		
Security deposits	21.40	39.20
Inter-corporate loans to subsidiaries (refer note 37)	352,629.53	280,886.81
Inter-corporate loans to joint ventures (refer note 37)	8,370.59	-
Inter-corporate loans to other parties	661.00	661.00
Loan component of redeemable financial instruments	7,524.73	-
Loans receivables - credit impaired		
Inter-corporate loans to subsidiaries (refer note 37)	233.83	233.83
	369,441.08	281,820.84
Less: Impairment for loans (expected credit loss)	(233.83)	(233.83)
	369,207.25	281,587.01
Note - 10		
A Other financial assets - non-current		
Bank deposits with maturity of more than 12 months*	8,677.83	-
Share application money pending allotment**	5,000.00	-
Derivative assets	3,242.41	-
	16,920.24	-
* Bank deposits of ₹ 435.00 lakhs (excluding accrued interest) (31 March 2018: ₹ Nil) have been pledged against loan given by banks and bank deposits of ₹ 8,175.00 lakhs (excluding accrued interest) (31 March 2018: ₹ Nil) have been lien marked as a security for margin on forward contracts booked with Barclays Bank PLC.		
** During the year, the Company has paid share application money amounting to ₹ 5,000.00 lakhs to one of its wholly owned subsidiary.		
B Other financial assets - current		
Earnest money deposit	1.00	1.00
Other advances	1.03	1.13
	2.03	2.13
Note - 11		
Deferred tax assets (net)		
Deferred tax asset arising on account of:		
Property, plant and equipment and intangible assets - depreciation and amortisation	144.85	150.49
Loans and other financial instruments - debt instruments	8.98	4,977.99
Impairment for investments, financial and non-financial assets	1,227.04	189.12
Employee benefits		
Gratuity and compensated absences	13.52	11.32
Share based payment	547.99	648.63
Unabsorbed long-term capital losses	2,684.94	-
	4,627.32	5,977.55
Deferred tax liabilities arising on account of:		
Derivative assets - mark to market gain on derivative contract	(1,133.03)	-
Fair valuation gain on investments	(1,918.36)	-
	(3,051.39)	-
Minimum alternative tax credit entitlement	2,262.65	2,262.65
	3,838.58	8,240.20
(i) The Company has unabsorbed business losses including unabsorbed depreciation amounting to ₹ 20,502.47 lakhs (31 March 2018: ₹ 7,396.57 lakhs) on which no deferred tax asset is recognised considering there is no probability which demonstrate realisation of deferred tax asset in the near future. Further these losses are available for offset for maximum period of eight years from the incurrence of loss.		
(ii) Expiry date of minimum alternative tax credit		
Expiry financial year		
1 April 2028 - 31 March 2029	846.65	846.65
1 April 2029 - 31 March 2030	148.88	148.88
1 April 2030 - 31 March 2031	1,267.12	1,267.12
	2,262.65	2,262.65

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

(iii) Caption wise movement in deferred tax assets as follows:

(₹ in lakhs)				
Particulars	31 March 2017	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2018
Assets				
Property, plant and equipment and intangible assets	157.13	-	(6.64)	150.49
Loans and other financial assets	5,312.77	-	(334.78)	4,977.99
Impairment for investments, financial and non-financial assets	-	-	189.12	189.12
Employee benefits	725.99	(0.42)	(65.62)	659.95
Unabsorbed Capital losses	-	-	-	-
Sub-total	6,195.89	(0.42)	(217.92)	5,977.55
Minimum alternative tax credit entitlement	2,262.65	-	-	2,262.65
Total	8,458.54	(0.42)	(217.92)	8,240.20

(₹ in lakhs)				
Particulars	31 March 2018	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2019
Assets				
Property, plant and equipment and intangible assets	150.49	-	(5.64)	144.85
Loans and other financial assets	4,977.99	-	(4,969.01)	8.98
Impairment for investments, financial and non-financial assets	189.12	-	1,037.92	1,227.04
Employee benefits	659.95	(0.18)	(98.26)	561.51
Unabsorbed long-term capital losses	-	-	2,684.94	2,684.94
Liabilities				
Derivative assets- Mark to market gain on	-	-	(1,133.03)	(1,133.03)
Fair valuation gain on investments	-	-	(1,918.36)	(1,918.36)
Sub-total	5,977.55	(0.18)	(4,401.44)	1,575.93
Minimum alternative tax credit entitlement	2,262.65	-	-	2,262.65
Total	8,240.20	(0.18)	(4,401.44)	3,838.58

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 12		
Non-current tax assets (net)		
Advance income tax, including tax deducted at source (net of provisions)	10,666.87	9,693.82
	10,666.87	9,693.82
Note - 13		
A Other non-current assets		
(Unsecured, considered good)		
Capital advance	4.25	-
Prepaid expenses	54.60	129.12
	58.85	129.12
B Other current assets		
(Unsecured, considered good)		
Advance to employees	1.69	0.78
Advance to suppliers/service providers (doubtful balance of ₹ 251.50 lakhs (31 March 2018: ₹ 251.50 lakhs))	271.88	255.10
Prepaid expenses	1,601.52	1,380.35
Balances with statutory authorities	1,285.80	578.13
Stamp paper in hand	2.40	-
	3,163.29	2,214.36
Less: Impairment for non-financial assets	(251.50)	(251.50)
	2,911.79	1,962.86
Note - 14		
Inventories		
Land*	90.19	90.19
Real estate properties under development (at cost)		
Cost of materials, construction cost and other overheads	7,042.57	7,042.57
	7,132.76	7,132.76
* The above land is mortgage as security against non-convertible debentures issued by Company.		
Note - 15		
Trade receivables		
Trade receivables considered good - unsecured		
Joint ventures (refer note 37)	589.30	185.19
Others	0.06	-
Trade receivables - credit impaired	33.04	33.04
	622.40	218.23
Less: Impairment for trade receivables (expected credit loss)	(33.04)	(33.04)
	589.36	185.19
Note - 16		
Cash and cash equivalents		
Cash in hand	0.12	-
Balances with banks		
In current accounts	2,648.61	1,319.98
	2,648.73	1,319.98

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

[^] Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Company does not have any right on the said money.

** Bank deposits of ₹ 3,927.11 lakhs (excluding accrued interest) (31 March 2018: ₹ 3,399.00 lakhs) have been pledged with banks against guarantees, overdraft facilities and loan given by banks and bank deposits of ₹ 1,916.78 lakhs (excluding accrued interest) (31 March 2018: ₹ 1,907.00 lakhs) have been lien marked as a security for servicing of non-convertible debentures interest.

Note - 18

Assets held for sale

Investment held for sale (refer note 46)

Note 10

A Equity share capital

i Authorised

Authorised	Number	Amount	Number	Amount
Equity share capital of face value of ₹ 2 each	750,000,000	15,000.00	750,000,000	15,000.00
		15,000.00		15,000.00

ii Issued, subscribed and fully paid up

Equity share capital of face value of ₹ 2 each fully paid up	450,680,289	<u>9,013.61</u>	474,674,139	<u>9,493.48</u>
		9,013.61		9,493.48

iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Balance at the beginning of the year	474,674,139	9,493.48	478,414,339	9,568.29
Add: Issued during the year	2,006,150	40.13	2,055,800	41.11
Less: Buy back during the year	26,000,000	520.00	5,796,000	115.92
Balance at the end of the year	450,680,289	9,013.61	474,674,139	9,493.48

iv Rights, preferences and restrictions attached to equity and preference shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

v Details of shareholder holding more than 5% share capital

Details of shareholder holding more than 5% share capital	31 March 2019
Name of the equity shareholder	Number of shares
Jyestha Infrastructure Private Limited	49,755,973
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	36,700,000

	31 March 2018
<u>Name of the equity shareholder</u>	<u>Number of shares</u>
Jyestha Infrastructure Private Limited	49,755,973
SG Infralands Private Limited	43,600,000
SG Devbuild Private Limited	36,700,000

vi Aggregate number of shares issued for consideration other than cash

No shares have been issued for consideration other than cash during the period of five years immediately preceding 31 March 2019.

vii Aggregate number of shares bought back

- a. During the year ended 31 March 2019, 26,000,000 equity shares were bought back at an average price of ₹ 170.85 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.
- b. During the year ended 31 March 2018, 5,796,000 equity shares were bought back at an average price of ₹ 89.76 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.
- c. During the year ended 31 March 2017, 28,250,000 equity shares were bought back at an average price of ₹ 78.01 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.

viii Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer note 41.

		31 March 2019		31 March 2018	
		(₹ in lakhs)		(₹ in lakhs)	
B	Preference share capital	Number	Amount	Number	Amount
i	Authorised				
	Preference share capital of face value of ₹ 10 each#	364,000,000	36,400.00	364,000,000	36,400.00
			<u>36,400.00</u>		<u>36,400.00</u>

Since the Company has not issued preference shares, hence, other disclosures are not presented.

Note - 20

Other equity

	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
Reserves and surplus		
General reserve	51,265.03	51,265.03
Capital reserve	27,720.50	27,720.50
Debenture redemption reserve	27,062.50	26,125.00
Capital redemption reserve	2,200.92	1,680.92
Deferred employee compensation reserve	1,951.67	2,385.17
Securities premium	534,779.82	577,188.04
Retained earnings	767.75	(8,376.29)
Other comprehensive income		
Fair valuation of equity instruments	(585.65)	4,781.08
	<u>645,162.54</u>	<u>682,769.45</u>

Nature and purpose of other reserves

General reserve

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Capital reserve

The Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Capital redemption reserve

The same has been created in accordance with provisions of Companies Act for the buy back of equity shares from the market.

Deferred employee compensation reserve

The reserve is used to recognised the grant date fair value of the options issued to employees under Company's employee stock option plan.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act 2013.

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Note - 21	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
A Borrowings - non-current		
Secured loans		
Debtentures		
Non-convertible debtentures (redeemable)	173,185.96	191,104.30
Less: Current maturities of non-current borrowings (refer note 23)	(72,358.36)	(68,487.63)
Term loans		
From banks	120,696.03	32,149.30
Less: Current maturities of non-current borrowings (refer note 23)	(11,379.69)	(9,803.19)
Vehicle loans		
From banks	8.37	22.14
Less: Current maturities of non-current borrowings (refer note 23)	(8.37)	(13.77)
	210,143.94	144,971.15

i Repayment terms (including current maturities) and security details for non-convertible debtentures:

Particulars	Security	Maturity date	31 March 2019	31 March 2018
			(₹ in lakhs)	(₹ in lakhs)
1 190 Redeemable non-convertible debtentures issued on 9 September 2016 for ₹ 1,900 lakhs @ 9.85% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	8 July 2022	1,881.46	1,876.91
2 250 Redeemable non-convertible debtentures issued on 7 September 2016 for ₹ 2,500 lakhs @ 9.80% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	7 July 2022	2,473.34	2,466.79
3 300 Redeemable non-convertible debtentures issued on 16 August 2016 for ₹ 3,000 lakhs @ 10.00% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	16 June 2022	2,953.57	2,942.03
4 200 Redeemable non-convertible debtentures issued on 18 July 2016 for ₹ 2,000 lakhs @ 10.00% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	18 May 2022	1,966.03	1,957.23
5 250 Redeemable non-convertible debtentures issued on 12 July 2016 for ₹ 2,500 lakhs @ 10.00% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	12 May 2022	2,457.53	2,446.54
6 150 Redeemable non-convertible debtentures issued on 8 July 2016 for ₹ 1,500 lakhs @ 10.00% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,474.52	1,467.93
7 160 Redeemable non-convertible debtentures issued on 8 July 2016 for ₹ 1,600 lakhs @ 10.00% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	1,572.82	1,565.79
8 750 Redeemable non-convertible debtentures issued on 29 June 2016 for ₹ 7,500 lakhs @ 10.00% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	29 April 2022	7,367.55	7,333.05
9 4,800 Redeemable non-convertible debtentures issued on 27 June 2018 for ₹ 48,000 lakhs @ 9.50% of face value ₹ 1,000,000	Mortgage on immovable properties situated at Gurugram held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	25 June 2021 and 26 June 2020	47,465.26	-

Particulars	Security	Maturity date	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
10 100 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 1,000 lakhs @ 10.75% of face value ₹ 1,000,000	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	986.60	980.84
11 200 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 2,000 lakhs @ 10.75% of face value ₹ 1,000,000	Mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	18 March 2021	1,959.64	1,942.41
12 150 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 1,500 lakhs @ 11.50% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu	21 August 2020	1,477.53	1,463.67
13 200 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 2,000 lakhs @ 11.50% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company's and its certain subsidiary companies by way of pari-passu charge	21 August 2020	1,983.82	1,961.68
14 5,000 Redeemable non-convertible debentures issued on 29 June 2017 for ₹ 50,000 lakhs @ 9.00% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Gurugram and Savroli held and owned by the Company's and its certain subsidiary companies by way of pari-passu charge	29 June 2020 and 28 June 2019	49,666.29	49,211.80
15 250 Redeemable non-convertible debentures issued on 27 September 2018 for ₹ 2,500 lakhs @ 10.25% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Mule-Alibaug held and owned by the Company's and its certain subsidiary companies by way of pari-passu charge	28 September 2019	2,500.00	-
16 9,000 Redeemable non-convertible debentures issued on 6 June 2014 for ₹ 90,000 lakhs @ 11.10% of face value ₹ 1,000,000 **	Secured by mortgage on immovable properties situated at Gurugram, Panvel, Chennai, Savroli and Chawne held and owned by the Company and its certain subsidiary companies	6 June 2019 and 6 June 2018	45,000.00	90,000.00
17 50 Redeemable non-convertible debentures issued on 21 August 2015 for ₹ 500 lakhs @ 11.80% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	21 August 2018	-	498.31
18 750 Redeemable non-convertible debentures issued on 8 June 2017 for ₹ 7,500 lakhs @ 9.45% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel, Khalapur and Alibagh held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	06 July 2018	-	7,500.00
19 200 Redeemable non-convertible debentures issued on 28 March 2016 for ₹ 2,000 lakhs @ 10.50% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu	27 April 2018	-	1,998.52
20 150 Redeemable non-convertible debentures issued on 28 March 2016 for ₹ 1,500 lakhs @ 10.50% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	27 April 2018	-	1,498.24
21 1,000 Redeemable non-convertible debentures issued on 22 March 2017 for ₹ 10,000 lakhs @ 9.02% of face value ₹ 1,000,000	Secured by mortgage on immovable properties in Panvel held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	20 April 2018	-	9,994.90
22 200 Redeemable non-convertible debentures issued on 18 March 2016 for ₹ 2,000 lakhs @ 10.50% of face value ₹ 1,000,000	Secured by mortgage on immovable properties situated at Panvel and Savroli held and owned by the Company and its certain subsidiary companies by way of pari-passu charge	18 April 2018	-	1,997.66

** These non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited and remaining non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.

ii Repayment terms (including current maturities) and security details for term loan from banks:

- a During the year ended 31 March 2019, the Company has availed term loan of ₹ 100,000.00 lakhs from Yes Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at various locations and owned by certain subsidiary companies. The loan is repayable in three installments at 30%, 35% and 35% at the end of 21st month, 24th month and 27th month from the date of first disbursement. The rate of interest as on 31 March 2019 is 11.00% p.a. (Yes Bank's MCLR plus spread). The outstanding balance as at 31 March 2019 is ₹ 98,349.92 lakhs (31 March 2018: ₹ Nil).
- b During the year ended 31 March 2018, the Company has availed term loan of ₹ 10,000.00 lakhs from Ratnakar Bank Limited and interest payable monthly, secured by first pari passu charge by way of equitable mortgage on immovable properties located at Savroli and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two years and three years from the date of disbursement. The rate of interest as on 31 March 2019 is 11.00% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2019 is ₹ 7,961.72 lakhs (31 March 2018: ₹ 9,928.52 lakhs).
- c During the year ended 31 March 2018, the Company has availed term loan of ₹ 5,000.00 lakhs from Ratnakar Bank Limited and interest payable monthly, secured by exclusive charge by way of equitable mortgage on immovable properties located at Gurugram and owned by certain subsidiary companies. The loan is repayable in three installments at 20%, 30% and 50% at the end of one year, two years and three years from the date of disbursement. The rate of interest as on 31 March 2019 is 11.00% p.a. (RBL Bank's overnight MCLR). The outstanding balance as at 31 March 2019 is ₹ 3,980.95 lakhs (31 March 2018: ₹ 4,964.17 lakhs).
- d During the year ended 31 March 2015, the Company has availed term loan of ₹ 28,000.00 lakhs from Axis Bank Limited and interest payable monthly, primarily secured by mortgage on immovable properties situated at Savroli held and owned by the certain subsidiary companies. The loan is further secured by collateral security on immovable properties of certain subsidiary companies. Additionally, the aforesaid term loan is also secured by way of pari-passu charge on all the project related receivables, if any, of its certain subsidiary companies. Further, there is corporate guarantee issued by its certain subsidiary Companies. The loan is repayable in 16 equal quarterly installments after moratorium period of two years from date of first disbursement. The rate of interest as on 31 March 2019 is 10.25% p.a. (Axis Bank's six month MCLR plus spread). The outstanding balance as at 31 March 2019 is ₹ 10,403.44 lakhs (31 March 2018: ₹ 17,256.61 lakhs).

iii Repayment terms (including current maturities) and security details for vehicle loans:

During the year ended 31 March 2015, the Company has availed vehicle loan of ₹ 60.00 lakhs from Axis Bank Limited and interest payable monthly at 10.35%, secured by way of hypothecation on vehicle purchased. These loan is repayable in 60 equated monthly installments starting from 15 November 2014. The outstanding balance as at 31 March 2019 is ₹ 8.37 lakhs (31 March 2018: ₹ 22.14 lakhs).

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
B Borrowings - current		
<i>Unsecured loans</i>		
Commercial paper (refer note a below)	96,500.00	87,500.00
Loans from subsidiary (refer note b below and 37)	10,329.45	10,412.50
	106,829.45	97,912.50

- a. Maximum balance outstanding during the year is ₹ 115,000.00 lakhs (31 March 2018: ₹ 99,500.00 lakhs).
- b. Carrying interest rate of 9.50% p.a as at 31 March 2019 (31 March 2018: 9.50% p.a).

Note - 22**A Provisions - non-current**

Provision for employee benefits:

Gratuity (refer note 40)

Compensated absences (refer note 40)

27.06	24.60
6.24	5.18
33.30	29.78

B Provisions - current

Provision for employee benefits:

Gratuity (refer note 40)

Compensated absences (refer note 40)

4.78	2.48
0.60	0.46
5.38	2.94

Note - 23**Other financial liabilities - current**

Current maturities of non-current borrowings

Non-convertible debentures (redeemable)

Term loans

Vehicle loans

Interest accrued on borrowings from subsidiary (refer note 37)

Interest accrued on borrowings from others

Unpaid dividend on equity shares*

Security deposits received

Retention money payable

Expenses payable

72,358.36	68,487.63
11,379.69	9,803.19
8.37	13.77
894.00	207.53
2,334.01	4,036.58
38.75	40.53
4.00	4.50
4.64	4.87
892.71	1,204.05
87,914.53	83,802.65

*Not due for credit to 'Investor Education and Protection Fund'

Note - 24**Other current liabilities**

Payable to statutory authorities

Other advances*

177.19	281.94
6,600.00	-
6,777.19	281.94

*The Company has received this advance for proposed business transaction.

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Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 25		
Revenue from operations		
Revenue from real estate properties advisory and management services	1,919.61	7,188.48
Other operating income		
Profit on sale of investments	9,787.59	1,047.11
	11,707.20	8,235.59
Note - 26		
Other income		
Dividend income*	-	615.53
Interest income on		
Inter-corporate loans given to:		
Subsidiaries (refer note 37)	11,910.19	19,775.38
Joint ventures (refer note 37)	898.09	-
Others	1.54	49.93
Debentures (refer note 37)	5,497.85	5,693.16
Bank deposits	628.28	627.40
Amortised cost financial assets	1,428.75	716.44
Others	523.67	795.40
Profit on sale of investments (net)#	819.63	1,231.20
Profit on sale of property, plant and equipment (net)	1.32	2.97
Business support income	26.36	29.64
Income on fair valuation of financial assets	0.04	547.97
Excess provision/liabilities written back	70.16	0.47
Mark to market gain on derivative contracts	3,242.41	-
Miscellaneous income	2.90	0.01
	25,051.19	30,085.50
* The Company did not receive any dividend from the equity instruments designated as FVOCI.		
# Profit recognised on sale of investments in mutual funds		
Note - 27		
Employee benefits expense		
Salaries and wages	389.87	168.34
Contribution to provident fund and other funds	3.05	2.86
Staff welfare expenses	3.20	1.54
Share based payment expense (refer note 41)	237.39	400.33
	633.51	573.07
Note - 28		
Finance costs		
Interest expense		
On borrowings	32,779.96	35,864.17
On income tax	2.14	39.94
Other borrowing costs	260.03	185.00
	33,042.13	36,089.11
Note - 29		
Depreciation and amortisation expense		
Depreciation on property, plant and equipment	76.65	90.38
Amortisation on intangible assets	7.13	7.18
	83.78	97.56

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 30		
Other expenses		
Advertisement expenses	431.48	7.83
Auditor's remuneration		
Audit fees	144.00	144.00
Certification and other services	3.00	-
Out of pocket expenses	3.96	4.00
Business support expenses	107.64	-
Communication expenses	46.79	32.58
Director sitting fees	23.00	26.05
Insurance expenses	60.16	59.82
Legal and professional charges	554.94	657.44
Membership and subscription charges	13.68	13.94
Power and fuel expenses	49.72	51.74
Printing and stationery	6.39	1.87
Rates and taxes	167.61	111.09
Rent expenses	1,004.27	846.27
Repairs and maintenance		
Vehicles	32.04	22.62
Buildings	120.60	103.62
Others	55.60	21.77
Brokerage and marketing expenses	50.36	434.95
Travelling and conveyance expenses	38.12	31.49
Impairment of non-financial assets	-	251.50
Non current investment written off*	105.00	-
Impairment in value of investments	3,661.00	61.12
Impairment of loans (expected credit loss)	-	233.83
Miscellaneous expenses	30.43	60.03
	6,709.79	3,177.56

* The amount is on account of few wholly owned subsidiaries of the Company being voluntarily dissolved and struck off from the register of companies.

Note - 31
Tax expenses

Current tax	-	141.22
Deferred tax charge	4,401.44	217.92
Income tax expense reported in the statement of profit or loss	4,401.44	359.14

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.944% and the reported tax expense in the statement of profit or loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations	15,002.63	(1,616.21)
Accounting profit before income tax	15,002.63	(1,616.21)

At statutory income tax rate of 34.944% (31 March 2018: 34.608%)	5,242.52	(559.33)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of exempted income	(829.11)	(615.06)
Tax impact of expenses which will never be allowed	2.70	-
Tax impact of capital gain charged at different rate	(261.32)	(72.46)
Tax impact on indexation benefit under Income Tax Act, 1961	(5,116.24)	-
Tax impact of unrecognised deferred tax on unabsorbed business losses	5,763.67	1,449.50
Tax impact of differential allowance on share based payment expense	(567.44)	-
Tax impact on account of change in income tax rates	(58.03)	-
Tax paid in respect of earlier years (refer note 45)	-	141.22
Others	224.68	15.27
Income tax expense	4,401.44	359.14

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019****Note - 32****Earnings per share (EPS)**

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number potential equity shares outstanding during the year including share options, except where the result would be anti-dilutive. Weighted average number of equity shares includes impact of buy back of equity shares during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2019	31 March 2018
Profit/(loss) attributable to equity holders (₹ in lakhs)	10,601.19	(1,975.35)
Nominal value of equity share (₹)	2.00	2.00
Total number of equity shares outstanding at the beginning of the year	474,674,139	478,414,339
Total number of equity shares outstanding at the end of the year	450,680,289	474,674,139
Weighted average number of equity shares for basic earning per share	456,666,283	474,583,918
Add: Share based options*	-	-
Weighted average number of equity shares adjusted for diluted earning per share	456,666,283	474,583,918

Earnings per equity share:

Basic (₹)	2.32	(0.42)
Diluted (₹)	2.32	(0.42)

*Potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.

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Note - 33**Fair value measurements****(i) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value**(₹ in lakhs)**

31 March 2019	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	1.04	-	-	1.04
Financial instruments at FVOCI				
Quoted equity instruments	5,914.35	-	-	5,914.35
Derivative asset at FVTPL				
Forward contract	-	3,242.41	-	3,242.41
Total financial assets	5,915.39	3,242.41	-	9,157.80

Financial assets measured at fair value**(₹ in lakhs)**

31 March 2018	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	28,438.84	-	-	28,438.84
Financial instruments at FVOCI				
Quoted equity instruments	11,281.08	-	-	11,281.08
Total financial assets	39,719.92	-	-	39,719.92

(iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

- Traded (market) price basis recognised stock exchange for equity shares
- Use of net asset value for mutual funds on the basis of the statement received from investee party.
- The value of derivative contracts are determined using forward exchange rates at balance sheet date.

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Note - 34

Financial risk management

i) Financial instruments by category

(₹ in lakhs)

Particulars	31 March 2019			31 March 2018		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
Financial assets						
Investments						
Equity instruments	-	5,914.35	-	-	11,281.08	-
Bonds and preference shares	-	-	7,179.67	-	-	7,179.44
Mutual funds	1.04	-	-	28,438.84	-	-
Trade receivables	-	-	589.36	-	-	185.19
Cash and cash equivalents	-	-	2,648.73	-	-	1,319.98
Other bank balances	-	-	5,970.75	-	-	5,420.05
Loans	-	-	369,215.61	-	-	294,237.47
Security deposits	-	-	1,281.86	-	-	1,163.65
Derivative assets	3,242.41	-	-	-	-	-
Other financial assets	-	-	8,679.86	-	-	2.13
Total financial assets	3,243.45	5,914.35	395,565.84	28,438.84	11,281.08	309,507.91

(₹ in lakhs)

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	400,719.81	-	-	321,188.24
Security deposits	-	-	4.00	-	-	4.50
Other financial liabilities	-	-	4,164.11	-	-	5,493.56
Total financial liabilities	-	-	404,887.92	-	-	326,686.30

Investment in subsidiaries and associates are measured at cost as per Ind AS 27, 'Separate financial statements'.

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

ii) Fair value of instruments measured at amortised cost

(₹ in lakhs)

Particulars	Level	31 March 2019		31 March 2018	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments (bonds)	Level 3	7,179.67	7,179.67	7,179.44	7,179.44
Loans	Level 3	1,290.22	1,290.22	13,814.11	13,814.11
Other financial assets	Level 3	8,677.83	8,677.83	-	-
Total financial assets		17,147.72	17,147.72	20,993.55	20,993.55
Financial liabilities					
Borrowings*	Level 3	210,143.94	210,143.94	144,971.15	144,971.15
Total financial liabilities		210,143.94	210,143.94	144,971.15	144,971.15

The above disclosures is presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (investments, trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings and other current financial liabilities) represents the best estimate of fair value.

* A part of the non-convertible redeemable debentures issued by the Company are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures represents the best estimate of fair value.

iii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/Life time expected credit loss
C: High credit risk	Trade receivables and loans	Life time expected credit loss/fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –		(₹ in lakhs)	
Credit rating	Particulars	31 March 2019	31 March 2018
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	395,832.71	309,774.77
C: High credit risk	Trade receivables and loans	266.87	266.87

ii) *Concentration of financial assets*

The Company's principal business activities are real estate properties advisory, construction and development of real estate properties and all other related activities. The Company's outstanding receivables are for real estate properties advisory business. Loans and other financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

b) **Credit risk exposure**

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2019				(₹ in lakhs)
Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision	
Investments (bonds and redeemable preference shares)	8,079.67	-	8,079.67	
Trade receivables	622.40	33.04	589.36	
Cash and cash equivalents	2,648.73	-	2,648.73	
Other bank balances	5,970.75	-	5,970.75	
Loans	369,449.44	233.83	369,215.61	
Security deposit	1,281.86	-	1,281.86	
Other financial assets	8,679.86	-	8,679.86	

As at 31 March 2018				(₹ in lakhs)
Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision	
Investments (bonds and redeemable preference shares)	8,079.44	-	8,079.44	
Trade receivables	218.23	33.04	185.19	
Cash and cash equivalents	1,319.98	-	1,319.98	
Other bank balances	5,420.05	-	5,420.05	
Loans	294,471.30	233.83	294,237.47	
Security deposit	1,163.64	-	1,163.64	
Other financial assets	2.13	-	2.13	

Expected credit loss for trade receivables under simplified approach

The Company's outstanding trade receivables are less than six months old and the Company expects that money will be received in due course.

Reconciliation of loss provision			(₹ in lakhs)
Reconciliation of loss allowance	Trade receivables	Loans	
Loss allowance on 31 March 2017	33.04	-	
Impairment loss recognised during the year	-	233.83	
Loss allowance on 31 March 2018	33.04	233.83	
Impairment loss recognised during the year	-	-	
Loss allowance on 31 March 2019	33.04	233.83	

(B) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2019						(₹ in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Non-derivatives						
Borrowings	190,837.82	166,500.00	24,000.00	22,500.00	403,837.82	
Other financial liabilities	4,168.11	-	-	-	4,168.11	
Total	195,005.93	166,500.00	24,000.00	22,500.00	408,005.93	

(₹ in lakhs)					
31 March 2018	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	176,426.27	81,508.37	42,500.00	22,500.00	322,934.64
Other financial liabilities	5,498.06	-	-	-	5,498.06
Total	181,924.33	81,508.37	42,500.00	22,500.00	328,432.70

(C) **Market risk**(i) **Interest rate risk**

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Variable rate borrowing	131,025.48	42,561.80
Fixed rate borrowing	269,694.33	278,626.44
Total borrowings	400,719.81	321,188.24

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Interest rates – increase by 1% (31 March 2018 : 1%)	1,310.25	425.62
Interest rates – decrease by 1% (31 March 2018 : 1%)	(1,310.25)	(425.62)

(ii) **Price risk**

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through statement of profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods -

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Price sensitivity		
Price increase by (2%) - FVOCI instrument	118.29	225.62
Price decrease by (2%) - FVOCI instrument	(118.29)	(225.62)
Price increase by (2%) - FVTPL instrument	0.02	568.78
Price decrease by (2%) - FVTPL instrument	(0.02)	(568.78)

(iii) **Foreign exchange risk**

The Company is exposed to foreign exchange risk arising from derivative contracts.

Foreign currency risk exposure:

(₹ in lakhs)			
Particulars	Currency	31 March 2019	31 March 2018
Derivative assets	GBP	3,242.41	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Foreign currency risk exposure:

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Derivative assets	GBP	32.42	-	(32.42)	-

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Note – 35

Capital management

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios –

Debt equity ratio

(₹ in lakhs)

	31 March 2019	31 March 2018
Net debt *	383,421.46	286,009.36
Total equity	654,176.15	692,262.94
Net debt to equity ratio	0.59	0.41

* Net debt includes non-current borrowings + current borrowings + current maturities of non-current borrowings net off with cash and cash equivalents (including bank deposits and other liquid securities).

Debt service coverage ratio

(₹ in lakhs)

	31 March 2019	31 March 2018
Earnings before interest and tax	47,782.59	34,247.96
Interest expense for the year + Principal repayments of non-current borrowings during the year	111,293.73	146,916.53
Debt service coverage ratio	0.43	0.23

The Company does not have any undrawn borrowing facilities.

Note – 36

Information about subsidiaries and joint ventures

The information about subsidiaries and joint ventures of the Company is as follows. The below table includes the information about step down subsidiaries and joint ventures as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Aedos Real Estate Company Limited	India	100.00%	100.00%
Airmid Developers Limited	India	100.00%	100.00%
Airmid Properties Limited	India	100.00%	100.00%
Airmid Real Estate Limited	India	100.00%	100.00%
Albasta Constructions Limited	India	100.00%	100.00%
Albasta Developers Limited	India	100.00%	100.00%
Albasta Infrastructure Limited	India	100.00%	100.00%
Albasta Properties Limited	India	100.00%	100.00%
Albasta Real Estate Limited	India	100.00%	100.00%
Albina Properties Limited	India	100.00%	100.00%
Albina Real Estate Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Amadis Land Development Limited	India	100.00%	100.00%
Angina Properties Limited	India	100.00%	100.00%
Angles Constructions Limited	India	100.00%	100.00%
Apesh Constructions Limited	India	100.00%	100.00%
Apesh Properties Limited	India	100.00%	100.00%
Apesh Real Estate Limited	India	100.00%	100.00%
Ashkit Constructions Limited	India	100.00%	100.00%
Athena Builders and Developers Limited	India	100.00%	100.00%
Athena Buildwell Limited	India	100.00%	100.00%
Athena Infrastructure Limited	India	100.00%	100.00%
Athena Land Development Limited	India	100.00%	100.00%
Aurora Builders and Developers Limited	India	100.00%	100.00%
Bridget Builders and Developers Limited	India	100.00%	100.00%
Catherine Builders and Developers Limited	India	100.00%	100.00%
Ceres Constructions Limited	India	100.00%	100.00%
Ceres Estate Limited	India	100.00%	100.00%
Ceres Infrastructure Limited	India	100.00%	100.00%
Ceres Land Development Limited	India	100.00%	100.00%
Ceres Properties Limited	India	100.00%	100.00%
Chloris Real Estate Limited	India	100.00%	100.00%
Citra Developers Limited	India	100.00%	100.00%
Citra Properties Limited	India	100.00%	100.00%
Cobitis Buildwell Limited	India	100.00%	100.00%
Cobitis Real Estate Limited	India	100.00%	100.00%
Corus Real Estate Limited	India	100.00%	100.00%
Devona Developers Limited	India	100.00%	100.00%
Devona Infrastructure Limited	India	100.00%	100.00%
Devona Properties Limited	India	100.00%	100.00%
Diana Infrastructure Limited	India	100.00%	100.00%
Diana Land Development Limited	India	100.00%	100.00%
Edesia Constructions Limited	India	100.00%	100.00%
Edesia Developers Limited	India	100.00%	100.00%
Edesia Infrastructure Limited	India	100.00%	100.00%
Elena Constructions Limited	India	100.00%	100.00%
Elena Properties Limited	India	100.00%	100.00%
Fama Builders and Developers Limited	India	100.00%	100.00%
Fama Construction Limited	India	100.00%	100.00%
Fama Estate Limited	India	100.00%	100.00%
Fama Infrastructure Limited	India	100.00%	100.00%
Fama Land Development Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Fama Properties Limited	India	100.00%	100.00%
Flora Land Development Limited	India	100.00%	100.00%
Fornax Constructions Limited	India	100.00%	100.00%
Fornax Real Estate Limited	India	100.00%	100.00%
Galium Builders And Developers Limited	India	100.00%	100.00%
Hecate Power and Land Development Limited	India	100.00%	100.00%
Hermes Builders and Developers Limited	India	100.00%	100.00%
Hermes Properties Limited	India	100.00%	100.00%
IB Assets Limited	India	100.00%	100.00%
IB Holdings Limited	India	100.00%	100.00%
Indiabulls Buildcon Limited	India	100.00%	100.00%
Indiabulls Commercial Assets Limited	India	100.00%	100.00%
Indiabulls Commercial Estate Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Management Limited	India	100.00%	100.00%
Indiabulls Communication Infrastructure Limited	India	100.00%	100.00%
Indiabulls Constructions Limited	India	100.00%	100.00%
Indiabulls Engineering Limited	India	100.00%	100.00%
Indiabulls Estate Limited	India	100.00%	100.00%
Indiabulls Hotel Properties Limited	India	100.00%	100.00%
Indiabulls Housing and Constructions Limited	India	100.00%	100.00%
Indiabulls Housing and Land Development Limited	India	100.00%	100.00%
Indiabulls Housing Developers Limited	India	100.00%	100.00%
Indiabulls Industrial Infrastructure Limited	India	89.01%	89.01%
Indiabulls Infraestate Limited	India	100.00%	100.00%
Indiabulls Infrastructure Projects Limited	India	100.00%	100.00%
Indiabulls Infratech Limited	India	100.00%	100.00%
Indiabulls Land Holdings Limited	India	100.00%	100.00%
Indiabulls Lands Limited	India	100.00%	100.00%
Indiabulls Multiplex Services Limited	India	100.00%	100.00%
Indiabulls Natural Resources Limited	India	100.00%	100.00%
Indiabulls Projects Limited	India	100.00%	100.00%
Indiabulls Real Estate Builders Limited	India	100.00%	100.00%
Indiabulls Real Estate Developers Limited	India	100.00%	100.00%
Indiabulls Realty Company Limited	India	100.00%	100.00%
Indiabulls Software Parks Limited	India	100.00%	100.00%
Ivonne Infrastructure Limited	India	100.00%	100.00%
Juventus Constructions Limited	India	100.00%	100.00%
Juventus Estate Limited	India	100.00%	100.00%
Juventus Infrastructure Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Juventus Land Development Limited	India	100.00%	100.00%
Juventus Properties Limited	India	100.00%	100.00%
Kailash Buildwell Limited	India	100.00%	100.00%
Kaltha Developers Limited	India	100.00%	100.00%
Karakoram Buildwell Limited	India	100.00%	100.00%
Karakoram Properties Limited	India	100.00%	100.00%
Kenneth Builders and Developers Limited	India	100.00%	100.00%
Lakisha Infrastructure Limited	India	100.00%	100.00%
Lakisha Real Estate Limited	India	100.00%	100.00%
Lavone Builders And Developers Limited	India	100.00%	100.00%
Lenus Constructions Limited	India	100.00%	100.00%
Lenus Infrastructure Limited	India	100.00%	100.00%
Lenus Properties Limited	India	100.00%	100.00%
Linnet Constructions Limited	India	100.00%	100.00%
Linnet Developers Limited	India	100.00%	100.00%
Linnet Infrastructure Limited	India	100.00%	100.00%
Linnet Properties Limited	India	100.00%	100.00%
Linnet Real Estate Limited	India	100.00%	100.00%
Loon Infrastructure Limited	India	100.00%	100.00%
Loon Land Development Limited	India	100.00%	100.00%
Lorena Builders Limited	India	100.00%	100.00%
Lorena Constructions Limited	India	100.00%	100.00%
Lorena Developers Limited	India	100.00%	100.00%
Lorena Infrastructure Limited	India	100.00%	100.00%
Lorena Real Estate Limited	India	100.00%	100.00%
Lorita Developers Limited	India	100.00%	100.00%
Lucina Builders and Developers Limited	India	100.00%	100.00%
Lucina Buildwell Limited	India	100.00%	100.00%
Lucina Constructions Limited	India	100.00%	100.00%
Lucina Estate Limited	India	100.00%	100.00%
Lucina Land Development Limited	India	100.00%	100.00%
Lucina Properties Limited	India	100.00%	100.00%
Mabon Constructions Limited	India	100.00%	100.00%
Mabon Infrastructure Limited	India	100.00%	100.00%
Mabon Properties Limited	India	100.00%	100.00%
Majesta Builders Limited	India	100.00%	100.00%
Majesta Constructions Limited	India	100.00%	100.00%
Majesta Developers Limited	India	100.00%	100.00%
Majesta Infrastructure Limited	India	100.00%	100.00%
Majesta Properties Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Makala Infrastructure Limited	India	100.00%	100.00%
Manjola Infrastructure Limited	India	100.00%	100.00%
Manjola Real Estate Limited	India	100.00%	100.00%
Mariana Constructions Limited	India	100.00%	100.00%
Mariana Developers Limited	India	100.00%	100.00%
Mariana Infrastructure Limited	India	100.00%	100.00%
Mariana Properties Limited	India	100.00%	100.00%
Mariana Real Estate Limited	India	100.00%	100.00%
Milkyway Buildcon Limited	India	100.00%	100.00%
Nerissa Constructions Limited	India	100.00%	100.00%
Nerissa Developers Limited	India	100.00%	100.00%
Nerissa Infrastructure Limited	India	100.00%	100.00%
Nerissa Properties Limited	India	100.00%	100.00%
Nerissa Real Estate Limited	India	100.00%	100.00%
Nilgiri Buildwell Limited	India	100.00%	100.00%
Nilgiri Infraestate Limited	India	100.00%	100.00%
Nilgiri Infrastructure Development Limited	India	100.00%	100.00%
Nilgiri Infrastructure Limited	India	100.00%	100.00%
Nilgiri Infrastructure Projects Limited	India	100.00%	100.00%
Nilgiri Land Development Limited	India	100.00%	100.00%
Nilgiri Land Holdings Limited	India	100.00%	100.00%
Nilgiri Lands Limited	India	100.00%	100.00%
Nilgiri Resources Limited	India	100.00%	100.00%
Noble Realtors Limited	India	100.00%	100.00%
Paidia Infrastructure Limited	India	100.00%	100.00%
Parmida Constructions Limited	India	100.00%	100.00%
Parmida Developers Limited	India	100.00%	100.00%
Parmida Properties Limited	India	100.00%	100.00%
Platane Infrastructure Limited	India	100.00%	100.00%
Selene Builders and Developers Limited	India	100.00%	100.00%
Selene Buildwell Limited	India	100.00%	100.00%
Selene Constructions Limited	India	100.00%	100.00%
Selene Infrastructure Limited	India	100.00%	100.00%
Selene Land Development Limited	India	100.00%	100.00%
Selene Properties Limited	India	100.00%	100.00%
Sentia Constructions Limited	India	100.00%	100.00%
Sentia Developers Limited	India	100.00%	100.00%
Sentia Infrastructure Limited	India	100.00%	100.00%
Sentia Real Estate Limited	India	100.00%	100.00%
Sepset Developers Limited	India	100.00%	100.00%

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019**

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Sepset Real Estate Limited	India	100.00%	100.00%
Serida Infrastructure Limited	India	100.00%	100.00%
Serida Properties Limited	India	100.00%	100.00%
Serpentes Constructions Limited	India	100.00%	100.00%
Shivalik Properties Limited	India	100.00%	100.00%
Sophia Constructions Limited	India	100.00%	100.00%
Sophia Real Estate Limited	India	100.00%	100.00%
Sylvanus Properties Limited	India	100.00%	100.00%
Tapir Constructions Limited	India	100.00%	100.00%
Tapir Land Development Limited	India	100.00%	100.00%
Tefia Land Development Limited	India	100.00%	100.00%
Triton Buildwell Limited	India	100.00%	100.00%
Triton Estate Limited	India	100.00%	100.00%
Triton Infrastructure Limited	India	100.00%	100.00%
Triton Properties Limited	India	100.00%	100.00%
Varali Constructions Limited	India	100.00%	100.00%
Varali Developers Limited	India	100.00%	100.00%
Varali Infrastructure Limited	India	100.00%	100.00%
Varali Properties Limited	India	100.00%	100.00%
Varali Real Estate Limited	India	100.00%	100.00%
Vindhyachal Buildwell Limited	India	100.00%	100.00%
Vindhyachal Developers Limited	India	100.00%	100.00%
Vindhyachal Infrastructure Limited	India	100.00%	100.00%
Vindhyachal Land Development Limited	India	100.00%	100.00%
Vonnie Real Estate Limited	India	100.00%	100.00%
Zeus Builders And Developers Limited	India	100.00%	100.00%
Zeus Buildwell Limited	India	100.00%	100.00%
Zeus Estate Limited	India	100.00%	100.00%
Zeus Properties Limited	India	100.00%	100.00%
Arianca Limited	Cyprus	100.00%	100.00%
Ariston Investments Limited	Mauritius	100.00%	100.00%
Ariston Investments Sub C Limited	Mauritius	100.00%	100.00%
Brenformexa Limited	Cyprus	100.00%	100.00%
Century Limited	Jersey	100.00%	100.00%
Dev Property Development Limited	Isle of Man	100.00%	100.00%
Eros Limited	Jersey	100.00%	100.00%
Foundvest Limited	Cyprus	100.00%	100.00%
Grand Limited	Jersey	100.00%	100.00%
Grapene Limited	Cyprus	100.00%	100.00%
Indiabulls Properties Investment Trust	Singapore	100.00%	100.00%

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Indiabulls Property Management Trustee Pte. Limited.	Singapore	100.00%	100.00%
IPMT Limited	United Kingdom	100.00%	100.00%
M Holdco 1 Limited	Mauritius	100.00%	100.00%
M Holdco 2 Limited	Mauritius	100.00%	100.00%
M Holdco 3 Limited	Mauritius	100.00%	100.00%
Navilith Holdings Limited	Cyprus	100.00%	100.00%
Nesoi Limited	Jersey	100.00%	100.00%
Rhea Limited	Jersey	100.00%	100.00%
Shoxell Holdings Limited	Cyprus	100.00%	100.00%
Titan Limited	Jersey	100.00%	100.00%
Alexander Transport Solutions Limited (till 9 August 2018) @	India	-	100.00%
Ashkit Developers Limited (till 8 March 2019) @	India	-	100.00%
Ashkit Properties Limited (till 27 December 2018) #	India	-	100.00%
Ashkit Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Chloris Constructions Limited (till 8 March 2019) @	India	-	100.00%
Concept India International LLP (from 3 October 2018 till 27 December 2019)	India	-	-
Echo Facility Services Limited (till 8 March 2019) @	India	-	100.00%
Edesia Properties Limited (till 8 March 2019) @	India	-	100.00%
Edesia Real Estate Limited (till 9 August 2018) @	India	-	100.00%
Elena Real Estate Limited (till 9 August 2018) @	India	-	100.00%
India Land and Properties Limited (till 6 July 2018) (Refer note 46)	India	-	100.00%
Indiabulls Developers and Infrastructure Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Energy Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Home Developers Limited (till 9 August 2018) @	India	-	100.00%
Indiabulls Infrabuild Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Infrastructure Limited (till 6 July 2018) (Refer note 46)	India	-	100.00%
Indiabulls Malls Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Property Developers Limited (till 8 March 2019) @	India	-	100.00%
Indiabulls Road and Infrastructure Services Limited (till 8 March 2019) @	India	-	100.00%
Ivonne Developers Limited (till 8 March 2019) @	India	-	100.00%
Ivonne Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Jwalaji Buildtech Limited (till 8 March 2019) @	India	-	100.00%

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Lakisha Developers Limited (till 9 August 2018) @	India	-	100.00%
Lenus Developers Limited (till 8 March 2019) @	India	-	100.00%
Lenus Real Estate Limited (till 9 August 2018) @	India	-	100.00%
Mabon Developers Limited (till 8 March 2019) @	India	-	100.00%
Mabon Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Maximus Entertainments Limited (till 8 March 2019) @	India	-	100.00%
Nav Vahan Autotech Limited (till 9 August 2018) @	India	-	100.00%
Parmida Infrastructure Limited (till 9 August 2018) @	India	-	100.00%
Parmida Real Estate Limited (till 8 March 2019) @	India	-	100.00%
Serida Constructions Limited (till 8 March 2019) @	India	-	100.00%
Serpentes Builders and Developers Limited (till 8 March 2019) @	India	-	100.00%
Tapir Realty Developers Limited (till 8 March 2019) @	India	-	100.00%
Yashita Buildcon Limited (till 27 December 2018) #	India	-	100.00%

Name of Joint Venture	Country of incorporation	Proportion of ownership interest as at 31 March 2019	Proportion of ownership interest as at 31 March 2018
Ashkit Properties Limited (from 28 December 2018) #	India	50.00%	-
Concept International India LLP (from 28 December 2018) #	India	50.05%	-
Indiabulls Properties Private Limited (from 29 March 2018)\$	India	50.00%	50.00%
Indiabulls Real Estate Company Private Limited (from 29 March 2018)\$	India	50.00%	50.00%
Indiabulls Realty Developers Limited (from 29 March 2018)\$	India	50.00%	50.00%
Yashita Buildcon Limited (from 28 December 2018) #	India	50.05%	-

@During the year, these wholly owned subsidiaries of the Company have been voluntarily dissolved and have been struck off from the register of companies maintained by the Registrar of Companies.

#During the year, the Company has divested 50% stake in these entities to the entities controlled by Blackstone Group L.P. Further to the terms of arrangement, these entities have been assessed as Joint Ventures in compliance with Indian Accounting Standards ('Ind AS').

\$ M Holdco 1 (a wholly owned subsidiary of the Holding Company) has divested its stake in certain step down subsidiaries (namely FIM Holdco I Limited, FIM Holdco II Limited, Ariston Investments Sub A Limited and Ariston Investments Sub B Limited) in favour of entities BREP Asia SBS L&T Holding (NQ) Ltd, BREP VIII SBS L&T Holding (NQ) Ltd and BREP Asia SG L&T Holding (NQ) Pte Ltd, there by indirectly divesting 50% stake in Indiabulls Properties Private Limited ('IPPL'), Indiabulls Real Estate Company Private Limited ('IRECPL') and Indiabulls Realty Developers Limited ('IRDL'). Further to the terms of arrangement of the above divestiture, IPPL, IRECPL and IRDL have been assessed as Joint Ventures in compliance with Indian Accounting Standards ('Ind AS').

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019****Note – 37****Related party transactions*****Subsidiaries and joint ventures***

Details in reference to subsidiaries and joint ventures are presented in Note 36.

Key management personnel

Mr. Vishal Gaurishankar Damani (Joint Managing Director)

Mr. Gurbans Singh (Joint Managing Director)

The transaction with key management personnel are listed below:

(₹ in lakhs)

Nature of transactions	31 March 2019	31 March 2018
Managerial remuneration		
Mr. Vishal Gaurishankar Damani	85.16	-
Mr. Gurbans Singh	120.00	-
Share based payment		
Mr. Vishal Gaurishankar Damani	36.80	44.38
Mr. Gurbans Singh	21.76	26.06

(i) Statement of transactions with related parties

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
	Subsidiary Companies	Subsidiary Companies
Investment in equity shares (including share based options for employees of subsidiaries amounting to ₹ 113.92 lakhs (31 March 2018: ₹ 146.79 lakhs))	12,446.50	42,409.29
Sale of equity shares	15,000.00	15.00
Investment in debentures	6.41	-
Redemption of debentures	-	8,528.00
Inter-corporate loans and advances given*	500,527.92	710,097.48
Inter-corporate loans and advances taken*	131,687.00	291,510.94
Share application money paid	5,000.00	-
Interest income	17,408.04	25,579.71
Income from real estate properties advisory services	-	22.50
Income from administration, legal and management fees and marketing commission	-	2,165.97
Business support income	26.36	29.64
Rent expenses	-	747.69
Maintenance expenses	-	82.12
Electricity expenses	-	49.14
Business support expenses	107.64	-
Interest expenses	993.34	921.761
Reimbursement of expenses	143.37	-
Corporate guarantees (settled)/given	(227,703.00)	184,031.93

*Maximum balance outstanding at any time during the year.

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019
(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
	Joint venture	Joint venture
Income from administration, legal and management fees and marketing commission	1,919.61	-
Interest income	898.09	-
Rent expenses	780.93	-
Maintenance expenses	97.62	-
Electricity expenses	45.99	-
Reimbursement of expenses	2.50	-
Inter-corporate loans and advances given*	182,575.82	-
Corporate guarantees settled	(10,425.91)	-

*Maximum balance outstanding at any time during the year.

(ii) Statement of balances outstanding:
(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
	Subsidiary Companies	Subsidiary Companies
Inter-corporate loans given (net of impairment of ₹ 233.83 lakhs (31 March 2018: ₹ 233.83 lakhs))	352,629.53	280,886.81
Interest payable	894.00	207.53
Inter-corporate loans and advances taken	10,329.45	10,412.50
Non-current investment*	593,190.82	642,649.73
Current investment*	900.00	900.00
Expenses payables	86.61	-
Corporate guarantee	198,580.25	426,283.25

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
	Joint venture	Joint venture
Inter-corporate loans given	8,370.59	-
Security deposits	1,260.46	1,107.36
Non-current investment*	3,427.49	-
Trade receivables	589.30	185.19
Corporate guarantee	503,362.13	513,788.03

*For details refer note 8.

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

(iii) Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

Information related to material related party transactions:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
	Subsidiary Companies	Subsidiary Companies
Investment in equity shares		
Century Limited	-	42,257.50
Indiabulls Commercial Assets Limited	-	5.00
Ashkit Properties Limited	3,411.08	-
Indiabulls Infrastructure Limited	8,921.50	-
Sale of equity shares		
Ceres Estate Limited	-	10.00
Indiabulls Commercial Assets Limited	-	5.00
Indiabulls Infrastructure Limited	15,000.00	-
Investment in debentures		
Yashita Buildcon Limited	6.41	-
Redemption of debentures		
Indiabulls Infraestate Limited	-	8,528.00
Share application money paid		
Century Limited	5,000.00	-
Interest income		
Lucina Land Development Limited	142.94	2,452.77
Indiabulls Constructions Limited	599.98	316.55
Indiabulls Infraestate Limited	5,497.81	5,693.12
Tapir Constructions Limited	4,412.41	6,327.43
Juventus Estate Limited	1,227.19	1,175.74
Airmid Developers Limited	1,181.79	2,995.07
Sylvanus Properties Limited	2,301.75	1,110.78
Varali Properties Limited	33.82	98.41
Makala Infrastructure Limited	592.96	963.60
Catherine Builders and Developers Limited	25.21	-
Nerissa Infrastructure Limited	859.15	1,402.50
Ashkit Properties Limited	-	475.25
Sepset Real Estate Limited	532.91	1,109.42
Indiabulls Real Estate Company Private Limited	-	112.65
Indiabulls Infrastructure Limited	-	1,208.17
Milkyway Buildcon Limited	0.07	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Particulars	31 March 2019	31 March 2018
	Subsidiary Companies	Subsidiary Companies
Income from real estate properties advisory services		
Parmida Infrastructure Limited	-	3.75
Nav Vahan Autotech Limited	-	5.85
Alexander Transport Solutions Limited	-	8.42
Edesia Real Estate Limited	-	4.50
Income from administration, legal and management fees and marketing commission		
Indiabulls Real Estate Company Private Limited	-	1,111.47
Indiabulls Properties Private Limited	-	1,054.51
Business support income		
Indiabulls Estate Limited	8.79	7.17
Sentia Infrastructure Limited	8.79	7.17
Indiabulls Infraestate Limited	-	8.15
Apesh Constructions Limited	8.78	7.17
Rent expenses		
Indiabulls Real Estate Company Private Limited	-	747.69
Maintenance expenses		
Indiabulls Real Estate Company Private Limited	-	82.12
Electricity expenses		
Indiabulls Real Estate Company Private Limited	-	49.14
Business support expenses		
Indiabulls Construction Limited	107.64	-
Interest expenses		
Indiabulls Industrial Infrastructure Limited	993.34	921.76
Reimbursement of expenses		
Indiabulls Infraestate Limited	74.45	-
Sentia Infrastructure Limited	68.92	-
Corporate guarantees (settled)/given		
Airmid Developers Limited	-	(1,837.84)
Century Limited	(227,654.35)	719.25
Citra Properties Limited	199.95	-
Eros Limited	66,437.44	-
Indiabulls Constructions Limited	4,628.74	-

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Particulars	31 March 2019	31 March 2018
	Subsidiary Companies	Subsidiary Companies
Indiabulls Estate Limited	-	(1,698.79)
Indiabulls Infraestate Limited	(94,394.56)	81,358.92
Indiabulls Properties Private Limited	-	38,863.49
Indiabulls Real Estate Company Private Limited	-	73,122.98
India Land and Properties Limited	(49,006.00)	8,743.00
Juventus Estate Limited	(346.18)	2,306.00
Lucina Land Development Limited	14,135.24	(2,624.47)
Mariana Infrastructure Limited	9,283.98	-
Makala Infrastructure Limited	-	(245.83)
Sylvanus Properties Limited	(13,333.67)	(3,333.33)
Titan Limited	60,955.95	-
Athena Infrastructure Limited	642.14	(434.76)
Varali Properties Limited	-	(174.79)
Sepset Real Estate Limited	-	(177.53)
Selene Construction Limited	748.32	(2,316.79)
Selene Estate Limited	-	(8,237.58)

Particulars	31 March 2019	31 March 2018
	Joint venture	Joint venture
Interest income		
Ashkit Properties Limited	76.02	-
Indiabulls Properties Private Limited	791.89	-
Indiabulls Real Estate Company Private Limited	30.18	-
Income from administration, legal and management fees		
Indiabulls Reality Developers Limited	1,906.33	-
Yashita Buildcon Limited	13.28	-
Rent expenses		
Indiabulls Real Estate Company Private Limited	780.93	-
Maintenance expenses		
Indiabulls Real Estate Company Private Limited	97.62	-
Electricity expenses		
Indiabulls Real Estate Company Private Limited	45.99	-
Reimbursement of expenses		
Concept India International LLP	2.50	-

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Particulars	31 March 2019	31 March 2018
	Joint venture	Joint venture
Corporate guarantees (settled)/given		
Indiabulls Properties Private Limited	(38,377.53)	-
Indiabulls Real Estate Company Private Limited	27,951.62	-

Information related to material related parties maximum balance outstanding and closing balances:

Particulars	31 March 19		31 March 18	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Inter-corporate loans and advances given				
Aedos Real Estate Company Limited	224.51	-	224.39	224.39
Airmid Developers Limited	24,339.90	-	22,611.11	22,611.11
Airmid Infrastructure Limited	-	-	5,766.28	-
Airmid Properties Limited	670.17	670.17	670.05	670.05
Airmid Real Estate Limited	7,183.90	-	7,653.30	5,472.30
Albasta Constructions Limited	6.67	-	6.67	6.67
Albasta Developers Limited	-	-	1.90	-
Albasta Properties Limited	2,104.04	2,104.04	2,103.82	2,103.82
Albasta Real Estate Limited	193.30	-	193.30	193.30
Albina Real Estate Limited	-	-	1,756.43	-
Amadis Land Development Limited	397.10	397.10	396.98	396.98
Angina Properties Limited	53.35	-	53.35	53.35
Angles Constructions Limited	-	-	1,996.04	-
Apesh Constructions Limited	1,208.11	-	1,189.46	1,187.96
Apesh Properties Limited	58.99	-	58.99	58.99
Apesh Real Estate Limited	415.98	-	415.98	415.98
Ashkit Properties Limited	17,979.41	-	13,425.00	34.00
Athena Builders and Developers Limited	106.03	-	118.03	106.03
Athena Buildwell Limited	0.50	-	1,096.07	-
Athena Infrastructure Limited	8,809.75	-	10,144.50	5,453.00
Athena Land Development Limited	47.80	-	47.80	47.80
Catherine Builders and Developers Limited	408.91	-	-	-
Ceres Constructions Limited	358.88	358.88	358.88	358.88
Ceres Estate Limited	53.69	-	53.59	53.59
Ceres Infrastructure Limited	352.77	352.77	352.67	352.67
Ceres Land Development Limited	482.09	482.09	481.87	481.87
Ceres Properties Limited	428.55	428.55	427.23	427.23
Chloris Real Estate Limited	1,452.07	1,452.07	1,451.85	1,451.85
Citra Properties Limited	24,571.80	24,134.80	19,587.60	19,498.80
Cobitis Buildwell Limited	-	-	2.20	-

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Particulars	31 March 19		31 March 18	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Corus Real Estate Limited	695.99	695.99	695.77	695.77
Devona Developers Limited	1,138.21	1,138.21	1,137.21	1,137.21
Devona Infrastructure Limited	300.51	-	300.51	300.51
Diana Infrastructure Limited	484.10	481.60	490.60	484.10
Diana Land Development Limited	60.32	-	60.32	60.32
Elena Properties Limited	0.20	-	0.20	0.20
Elena Real Estate Limited	-	-	3.73	-
Fama Construction Limited	860.89	860.89	859.37	859.37
Fama Estate Limited	1,373.98	1,373.98	1,373.98	1,373.98
Fama Infrastructure Limited	137.48	-	137.36	137.36
Fama Land Development Limited	555.82	555.82	555.60	555.60
Fama Properties Limited	222.14	-	351.84	209.84
Fornax Constructions Limited	718.74	718.74	718.24	718.24
Fornax Real Estate Limited	-	-	111.61	-
Galium Builders And Developers Limited	90.61	-	90.61	90.61
Hecate Power and Land Development Limited	82.96	-	82.97	82.96
Hermes Builders and Developers Limited	0.30	-	0.30	0.30
Hermes Properties Limited	109.64	-	109.42	109.42
Ib Holdings Limited	45.65	-	44.85	44.85
Indiabulls Buildcon Limited	17.76	-	17.76	17.76
Indiabulls Commercial Assets Limited	8.00	-	8.00	8.00
Indiabulls Commercial Estate Limited	4.00	-	4.05	4.05
Indiabulls Constructions Limited	86,349.60	83,803.46	69,546.96	22,279.56
Indiabulls Engineering Limited	2.00	-	2.02	2.02
Indiabulls Estate Limited	1,880.45	128.50	2,655.25	1,655.95
Indiabulls Home Developers Limited	-	-	4.10	-
Indiabulls Infraestate Limited	37,500.00	37,500.00	-	-
Indiabulls Infrastructure Limited	9,330.16	-	9,206.05	9,206.05
Indiabulls Infratech Limited	345.36	-	345.36	345.36
Indiabulls Lands Limited	-	-	285.71	-
Indiabulls Malls Limited	0.02	-	0.02	0.02
Indiabulls Multiplex Services Limited	506.75	-	506.45	506.45
Indiabulls Projects Limited	66.50	-	66.50	66.50
Indiabulls Properties Private Limited	-	-	189,500.00	-
Indiabulls Real Estate Company Private Limited	-	-	2,000.00	-
Ivonne Infrastructure Limited	-	-	804.95	-
Ivonne Real Estate Limited	0.08	-	0.08	0.08
Juventus Constructions Limited	274.48	-	274.26	274.26
Juventus Estate Limited	15,807.06	15,467.91	14,294.64	14,294.64
Juventus Land Development Limited	325.82	325.82	325.60	325.60

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Particulars	31 March 19		31 March 18	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Kailash Buildwell Limited	287.14	-	287.02	287.02
Kaltha Developers Limited	10.40	-	10.40	10.40
Karakoram Buildwell Limited	603.16	603.16	601.76	601.76
Karakoram Properties Limited	18.54	-	18.54	18.54
Lakisha Developers Limited	-	-	11.48	-
Lakisha Real Estate Limited	4,520.79	4,520.79	4,522.59	4,520.09
Lenus Constructions Limited	93.38	-	92.88	92.88
Lenus Infrastructure Limited	-	-	1,371.24	-
Lenus Properties Limited	0.57	-	0.57	0.57
Lenus Real Estate Limited	-	-	6.26	-
Linnet Properties Limited	1,373.50	1,373.50	-	-
Linnet Real Estate Limited	1,449.50	1,449.50	-	-
Loon Land Development Limited	6.20	-	-	-
Lorena Builders Limited	1,984.85	-	1,984.63	1,984.63
Lucina Buildwell Limited	1,722.58	1,722.48	1,722.58	1,722.58
Lucina Constructions Limited	30.57	-	30.57	30.57
Lucina Estate Limited	626.07	626.07	625.95	625.95
Lucina Land Development Limited	6,017.50	-	113,980.00	1,000.92
Mabon Constructions Limited	-	-	290.94	-
Mabon Infrastructure Limited	1.13	-	1.13	1.13
Makala Infrastructure Limited	7,863.87	7,851.13	7,309.06	7,309.06
Manjola Infrastructure Limited	1,472.12	-	-	-
Mariana Constructions Limited	132.92	-	132.80	132.80
Mariana Infrastructure Limited	11,353.00	3,897.60	9,865.00	9,865.00
Mariana Properties Limited	-	-	3,298.00	-
Mariana Real Estate Limited	21.07	-	5,020.97	21.07
Milkyway Buildcon Limited	12.10	-	12.31	12.31
Nav Vahan Autotech Limited	-	-	0.60	-
Nerissa Infrastructure Limited	11,449.88	10,388.69	10,602.87	10,602.87
Nerissa Real Estate Limited	0.50	-	-	-
Nilgiri Buildwell Limited	104.67	-	104.55	104.55
Nilgiri Infraestate Limited	0.13	-	0.13	0.13
Nilgiri Infrastructure Projects Limited	3,162.51	3,162.51	3,161.91	3,161.91
Nilgiri Land Development Limited	4.00	-	4.05	4.05
Nilgiri Lands Limited	3.00	-	3.03	3.03
Nilgiri Resources Limited	22.82	-	22.82	22.82
Noble Realtors Limited	0.10	-	-	-
Paidia Infrastructure Limited	0.20	-	0.20	0.20
Parmida Constructions Limited	1,001.56	-	1,001.56	1,001.56
Parmida Developers Limited	6.47	-	6.80	5.87

Indiabulls Real Estate Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Particulars	31 March 19		31 March 18	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Parmida Properties Limited	1,575.24	1,575.24	1,575.12	1,575.12
Selene Buildwell Limited	241.11	-	240.99	240.99
Selene Constructions Limited	15,395.10	-	14,296.50	14,136.60
Selene Infrastructure Limited	39.97	-	37.97	37.97
Selene Properties Limited	121.82	-	121.82	121.82
Sentia Constructions Limited	279.83	-	279.61	279.61
Sentia Developers Limited	0.78	-	0.78	0.78
Sentia Infrastructure Limited	8,742.62	8,742.62	7,395.62	7,395.62
Sentia Real Estate Limited	518.06	-	515.86	515.86
Sepset Developers Limited	-	-	4,002.06	-
Sepset Real Estate Limited	12,949.50	-	12,140.86	12,140.86
Serida Constructions Limited	4.65	-	4.65	4.65
Shivalik Properties Limited	421.97	-	421.97	421.97
Sophia Constructions Limited	2,073.80	1,295.30	2,250.80	1,924.80
Sophia Real Estate Limited	65.54	-	13,551.04	65.54
Sylvanus Properties Limited	63,516.31	63,516.31	20,610.00	12,074.46
Tapir Constructions Limited	59,343.79	59,343.79	54,312.79	54,312.79
Tapir Land Development Limited	9.10	-	-	-
Tapir Realty Developers Limited	0.30	-	0.30	0.30
Tefia Land Development Limited	69.43	-	69.43	69.43
Triton Buildwell Limited	785.93	785.93	785.93	785.93
Triton Infrastructure Limited	552.87	552.87	552.75	552.75
Varali Constructions Limited	31.47	-	33.00	31.47
Varali Developers Limited	1,172.99	1,172.99	1,172.87	1,172.87
Varali Infrastructure Limited	1,902.10	1,902.10	7,575.40	1,728.40
Varali Properties Limited	1,541.20	-	2,503.80	1,137.21
Varali Real Estate Limited	101.25	-	101.03	101.03
Vindhyachal Buildwell Limited	4,444.49	2,954.69	4,444.49	4,444.49
Vindhyachal Infrastructure Limited	1,032.81	1,032.81	1,032.59	1,032.59
Yashita Buildcon Limited	15,906.50	-	3,036.14	3,036.14
Zeus Builders and Developers Limited	91.89	-	91.89	91.89
Zeus Buildwell Limited	72.94	-	72.94	72.94
Zeus Estate Limited	-	-	181.74	-
Zeus Properties Limited	961.91	961.91	961.91	961.91
Inter-corporate loans and advances taken				
Indiabulls Constructions Limited	110,950.00	-	169,800.00	-
Indiabulls Industrial Infrastructure Limited	10,589.00	10,329.45	10,412.50	10,412.50
Indiabulls Infraestate Limited	-	-	32,600.00	-
Juventus Estate Limited	-	-	14,333.44	-
Lucina Land Development Limited	10,148.00	-	64,365.00	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

(₹ in lakhs)

Particulars	31 March 19		31 March 18	
	Joint Ventures		Joint Ventures	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Ashkit Properties Limited	14,559.33	3,633.45	-	-
Indiabulls Properties Private Limited	30,000.00	4,737.14	-	-
Indiabulls Real Estate Company Private Limited	122,400.00	-	-	-
Yashita Buildcon Limited	15,616.49	-	-	-

Information related to material related balance outstanding:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
	Subsidiary Companies	Subsidiary Companies
Interest payable		
Indiabulls Industrial Infrastructure Limited	894.00	207.53
Expenses payable		
Indiabulls Infraestate Limited	12.18	-
Sentia Infrastructure Limited	74.43	-
Corporate guarantee		
Airmid Developers Limited	720.38	720.38
Athena Infrastructure Limited	928.36	286.22
Century Limited	-	227,654.35
Citra Properties Limited	343.93	143.98
Eros Limited	66,437.44	-
India Land Properties Limited	-	49,006.00
Indiabulls Constructions Limited	4,628.74	-
Indiabulls Estate Limited	716.59	716.59
Indiabulls Infraestate Limited	320.37	94,714.93
Juventus Estate Limited	2,725.34	3,071.52
Lucina Land Development Limited	40,525.00	26,389.77
Makala Infrastructure Limited	27.81	27.81
Mariana Infrastructure Limited	9,341.56	57.58
Selene Construction Limited	1,351.34	603.02
Sophia Real Estate Limited	1,214.44	1,214.44
Sylvanus Properties Limited	8,343.00	21,676.67
Titan Limited	60,955.95	-

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
	Joint Ventures	Joint Ventures
Security deposits		
Indiabulls Real Estate Company Private Limited	1,260.46	1,107.36
Trade receivables		
Indiabulls Properties Private Limited	-	2.21
Indiabulls Real Estate Company Private Limited	-	182.98
Indiabulls Realty Developers Limited	574.96	-
Yashita Buildcon Limited	14.34	-
Corporate guarantee		
Indiabulls Properties Private Limited	256,452.78	294,830.30
Indiabulls Real Estate Company Private Limited	246,909.35	218,957.73

Note 8 also suffice the requirements of schedule V (for investments) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to investments.

Note – 38

Contingent liabilities and commitments

A. Summary of contingent liabilities

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Contingent liabilities		
i) Corporate guarantees issued by the Company on behalf of subsidiary companies and other entities (refer note 37)	701,942.38	940,071.28
ii) Income tax demand (pending in appeals)	2,041.06	2,041.06
iii) Service tax demand	1,695.25	1,823.82

B. Commitments

- i. The Company had given Sponsors Support Undertaking (“SSU”) to meet any shortfalls in the funding requirement of project and towards cost overrun to financial institution/banks for term loan sanctioned to RattanIndia Nasik Power Limited, a subsidiary of RattanIndia Power Limited in the event of inability of RattanIndia Nasik Power Limited (“RNPL”) to arrange required equity support for Nasik Thermal Power Project Phase II. Pursuant to the demerger of the power business from the Company vide order dated 17 October 2011 passed by the Hon’ble Delhi High Court in Company Petition No 295 of 2011, all the liabilities and obligations of the Company in relation to the power business stood transferred and vested into RattanIndia Infrastructure Limited. Furthermore, the promoters of RattanIndia Power Limited (“RPL”) have subsequently undertaken not to drawdown any funds from such debt facilities with respect to Nashik Thermal Power Project Phase II.
- ii. The Company had given Sponsors Support Undertaking (“SSU”) to fund the required equity and any shortfall in means of finance by subscription to the shares of RattanIndia Power Limited, a company together promoted by RattanIndia Infrastructure Limited and RR Infra Land Private Limited, for term loan facility sanctioned to RattanIndia Power Limited (“RPL”) in the event of inability of RPL to arrange the required equity support for Amravati Power Project Phase II. Under the SSU, the Company had also guaranteed to meet RPL’s debt obligations in respect of Amravati Power Project Phase II in the event coal linkage for the project is cancelled/deferred and RPL fails to make any alternate arrangement of required coal six months prior to the scheduled commercial

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

operation date of unit I of Amravati Power Project Phase II. Pursuant to the demerger of the power business from the Company vide order dated 17th October 2011 passed by the Hon'ble Delhi High Court in Company Petition No 295 of 2011, all the liabilities and obligations of the Company in relation to the power business stood transferred and vested into RattanIndia Infrastructure Limited. Furthermore, the promoters of RPL have subsequently undertaken not to drawdown any funds from such debt facilities with respect to Amravati Power Project Phase II.

- iii. The Company has given an undertaking to banks for various loans availed by the subsidiary companies and other entities to meet the shortfall requirement in case they are not able to service the said loans.
- iv. The Company has undertaken to provide continued financial support to certain subsidiaries as and when required.

Note – 39

Operating leases

The Company has taken various premises on operating leases and lease rent of ₹ 1,004.27 lakhs (31 March 2018: ₹ 846.27 lakhs) in respect of the same has been charged to statement of profit and loss for the year ended 31 March 2019. The underlying agreements are executed for a period generally ranging from three to five years, renewable on mutual consent and are cancellable in some cases, by either party giving notice generally of 30 to 180 days. There are no restrictions imposed by such leases and there are no subleases. The minimum lease rentals payable in respect of such operating leases are as under:

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Within one year	435.70	344.54
Later than one year but not later than five years	-	-
Later than five years	-	-

Note – 40

Employee benefits

Defined contribution plan

The Company has made ₹ 3.05 lakhs (31 March 2018 - ₹ 2.86 lakhs) contribution in respect of provident fund.

Defined Benefit Plan

The Company has the following Defined Benefit Plans:

- Gratuity (Unfunded)
- Compensated absences (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the liability.
Mortality risk	Actual death and liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact liability.

Compensated absences

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of ₹ 0.60 lakhs (31 March 2018 - ₹ 0.46 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 13.02 years (31 March 2018: 14.09 years).

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Actuarial (gain)/loss on obligation:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Actuarial (gain)/loss on arising from change in financial assumptions	0.36	(0.11)
Actuarial (gain) on arising from change in experience adjustment	(0.35)	(0.01)

Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Service cost	0.74	0.72
Net interest cost	0.45	0.35
Actuarial loss/(gain) for the year	0.01	(0.12)
Expense recognized in the statement of profit and loss	1.20	0.95

Movement in the liability recognized in the balance sheet is as under:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	5.64	4.69
Current service cost	0.74	0.72
Interest cost	0.45	0.35
Actuarial loss/(gain) on obligation	0.01	(0.12)
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	6.84	5.64

Bifurcation of projected benefit obligation at the end of the year in current and non-current (₹ in lakhs)

	Particulars	31 March 2019	31 March 2018
a)	Current liability (amount due within one year)	0.60	0.46
b)	Non-current liability (amount due over one year)	6.24	5.18
	Total projected benefit obligation at the end of the year	6.84	5.64

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Compensated absences	
	31 March 2019	31 March 2018
Discount rate	7.71%	7.93%
Salary escalation rate	5.50%	5.25%
Mortality table	Indian Assured Lives Mortality (2006 -08)	Indian Assured Lives Mortality (2006 -08)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation

(₹ in lakhs)

	Year	31 March 2019	Year	31 March 2018
a)	April 2019 – March 2020	0.60	April 2018 – March 2019	0.46
b)	April 2020 – March 2021	0.10	April 2019 – March 2020	0.11
c)	April 2021 – March 2022	0.10	April 2020 – March 2021	0.08
d)	April 2022 – March 2023	0.10	April 2021 – March 2022	0.08
e)	April 2023 – March 2024	0.10	April 2022 – March 2023	0.08
f)	April 2024 – March 2025	0.10	April 2023 – March 2024	0.08
g)	April 2025 onwards	5.74	April 2024 onwards	4.75

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Sensitivity analysis for compensated absences liability

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	6.84	5.64
a) Impact due to increase of 0.50 %	(0.38)	(0.33)
b) Impact due to decrease of 0.50 %	0.41	0.36
Impact of the change in salary increase		
Present value of obligation at the end of the year	6.84	5.64
a) Impact due to increase of 0.50 %	0.41	0.37
b) Impact due to decrease of 0.50 %	(0.39)	(0.34)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 13.02 years (31 March 2018: 14.09 years)

Actuarial (gain)/loss on obligation:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Actuarial (gain)/loss on arising from change in financial assumptions	1.50	(0.48)
Actuarial (gain) on arising from change in experience adjustment	(2.02)	(0.74)

Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Service cost	3.15	9.54
Net interest cost	2.15	1.40
Expense recognized in the statement of profit and loss	5.30	10.94

Movement in the liability recognized in the balance sheet is as under:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	27.08	18.58
Current service cost	3.15	9.54
Interest cost	2.14	1.40
Actuarial gain on obligation	(0.53)	(1.23)
Benefit paid	-	(1.21)
Present value of defined benefit obligation at the end of the year	31.84	27.08

Bifurcation of projected benefit obligation at the end of the year in current and non-current

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
a) Current liability (amount due within one year)	4.78	2.48
b) Non-current liability (amount due over one year)	27.06	24.60
Total projected benefit obligation at the end of the year	31.84	27.08

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Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2019	31 March 2018
Discount rate	7.71%	7.93%
Salary escalation rate	5.50%	5.25%
Mortality table	Indian Assured Lives Mortality (2006 -08)	Indian Assured Lives Mortality (2006 -08)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation

(₹ in lakhs)

	Year	31 March 2019	Year	31 March 2018
a)	April 2019 – March 2020	4.78	April 2018 – March 2019	2.47
b)	April 2020 – March 2021	0.41	April 2019 – March 2020	0.38
c)	April 2021 – March 2022	0.43	April 2020 – March 2021	1.84
d)	April 2022 – March 2023	0.44	April 2021 – March 2022	0.37
e)	April 2023 – March 2024	0.43	April 2022 – March 2023	0.36
f)	April 2024 – March 2025	0.99	April 2023 – March 2024	0.36
g)	April 2025 onwards	24.36	April 2024 onwards	21.29

Sensitivity analysis for gratuity liability

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	31.84	27.07
a) Impact due to increase of 0.50 %	(1.57)	(1.40)
b) Impact due to decrease of 0.50 %	1.69	1.51
Impact of the change in salary increase		
Present value of obligation at the end of the year	31.84	27.07
a) Impact due to increase of 0.50 %	1.72	1.54
b) Impact due to decrease of 0.50 %	(1.61)	(1.44)

Sensitivities due to mortality and withdrawal are not material & hence impact of change not calculated.

Note – 41

Share based payments

Indiabulls Real Estate Limited Employees Stock Options Scheme – 2006 (I)

During the year ended 31 March 2007, the Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme ("IBREL ESOS-I" or "Plan-I"). Under the Plan- I, the Company issued 9,000,000 equity settled options to its eligible employees and its subsidiary companies which gave them a right to subscribe up to 9,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each of the Company at an exercise price of ₹ 60 per option, subject to the requirements of vesting. These options vest uniformly over a period of 10 years, commencing one year after from the date of grant. A compensation committee constituted by the Board of Directors of the Company administers the Plan- I. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 1 November 2007, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019**

Following is a summary of options granted under the plan

Particulars	31 March 2019	31 March 2018
Opening balance	-	1,481,000
Granted during the year	-	-
Exercised during the year	-	1,275,500
Forfeited during the year	-	205,500
Closing balance	-	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2019: ₹ Nil (31 March 2018: ₹ 87.38)

Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II)

During the year ended 31 March 2009, the Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, the Company issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at 29 January 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 31 January 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2019	31 March 2018
Opening balance	165,000	406,000
Granted during the year	-	-
Exercised during the year	-	230,000
Forfeited during the year	-	11,000
Closing balance	165,000	165,000
Vested and exercisable	165,000	112,500

Weighted average share exercised price during the year ended 31 March 2019: ₹ Nil (31 March 2018: ₹ 92.28)

The fair value of the option under Plan II using the black scholes model, based on the following parameters is ₹ 62.79 per option, as certified by an independent valuer.

Particulars	Plan – II
Fair market value of option on the date of grant	₹ 62.79
Exercise price	₹ 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	10.5 Years
Expected dividend yield	3.92%
Risk free interest rate	6.50%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2010 (III)

During the year ended 31 March 2011, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 equity shares of face value of ₹ 2 each of the Company, accordingly the Employee Stock Option Plan - 2010 ("IBREL ESOP 2010" or "Plan-III") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as the case may be decided by the board of directors or compensation committee. During the year ended 31 March 2016, board of directors of the Company at its meeting held on 26 June 2015, re-granted (original grant was of date 14 November 2015) under the "Indiabulls Real Estate Limited

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019**

Employees Stock Options Plan - 2010”, 10,500,000 stock options to eligible employees of the Company and its subsidiary companies representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 54.50, being the closing market price of previous day on the National Stock Exchange of India Limited. The stock options so granted, shall vest within 5 years beginning from 26 June 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan –

Particulars	31 March 2019	31 March 2018
Opening balance	8,049,100	8,599,400
Granted during the year	-	-
Exercised during the year	2,006,150	550,300
Forfeited during the year	-	-
Closing balance	6,042,950	8,049,100
Vested and exercisable	2,196,950	2,280,100

Weighted average share exercised price during the year ended 31 March 2019: ₹ 178.24 (31 March 2018: ₹ 95.14)

The fair value of the option under Plan III using the black scholes model, based on the following parameters is ₹34.30 per option, as certified by an independent valuer.

Particulars	Plan – III
Fair market value of option on the date of grant	₹ 34.30
Exercise price	₹ 54.50
Expected volatility	89%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	8 Years
Expected dividend yield	3.45%
Risk free interest rate	8.03%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

Indiabulls Real Estate Limited Employees Stock Options Plan 2011 (IV)

During the year ended 31 March 2012, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot, to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 15,000,000 in number, representing 15,000,000 equity shares of face value of ₹2 each, and accordingly the Employee Stock Option Scheme 2011 (“IBREL ESOS 2011”) has been formed. As per the scheme exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as may be decided by the board or compensation committee. However, compensation committee of the board has not yet granted any options under IBREL ESOP 2011 Scheme.

Note – 42**Segment reporting**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. purchase, sale, real estate properties advisory, construction and development of real estate properties and all other related activities which as per Ind AS 108 on ‘Operating Segments’ is considered to be the only reportable business segment. The Company derives its major revenues from real estate properties advisory business (largely from related parties). The Company is operating in India which is considered as a single geographical segment.

Note – 43

During the year ended 31 March 2019, the Company has entered into various derivative contract with Barclays Bank PLC for sale of GBP 925.00 lakhs @ 108.01 (weighted average rate). The carrying value of underlying investments (including share application money) is ₹ 119,980.28 lakhs.

Indiabulls Real Estate Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019

Note – 44

As at 31 March 2019, the Company's financial assets are more than 50 per cent of its total assets (netted of by intangible assets) and income from financial assets is more than 50 per cent of the gross income of the Company. However, basis consolidated financial position, the Company's financial assets and income from financial assets does not meet the said criteria. The Company was incorporated with an objective of carrying on the business of construction and development of real estate properties and has been carrying the above business in line with the objects clauses stated in its articles of association. Accordingly, the Management basis the legal opinion obtained from an independent legal expert believes that the principal business of the Company is not that of Non-Banking Financial Company and hence it is not required to obtain certificate of registration as a Non-Banking Financial Company under section 45IA of the Reserve Bank of India Act, 1934.

Note – 45

A search was conducted by the competent authority under section 132(1) of the Income Tax Act, 1961 ('the Act') at premises of the Company in the financial year ended 31 March 2017. Consequently, in order to avoid protracted tax litigation, the Company filed an application under Section 245C (1) of the Act before the Hon'ble Income Tax Settlement Commission ('ITSC') in October 2017 and deposited taxes thereon. As at 31 March 2019, the matter was pending before the Hon'ble ITSC for final determination.

Note – 46

During the year, the Company had executed definitive transactions document to divest its 100% stake in tranches in one of its subsidiary Indiabulls Infrastructure Limited ('IIL'), whose wholly owned subsidiary India Land and Properties Limited ('ILPL') holds commercial asset at Chennai ("Chennai Assets"), to the entities controlled by the Blackstone Group L.P. ("Blackstone"). As part of the said transaction, the Company has divested partial stake by way of sale and buyback, thereby reducing Company's stake in IIL by 30.59%. The Company has recognised gain/fair value impact on such divestiture transaction amounting to ₹ 9,787.59 lakhs. The remaining stake has been classified under the head "Assets held for sale". To facilitate the above divestment of Chennai Assets, the Board of the Company had approved a composite scheme of arrangement amongst the Company, IIL and ILPL ("Scheme") and post receipt of regulatory clearances from SEBI and Stock Exchanges filed the same with the jurisdictional National Company Law Tribunal. The entire transaction is likely to be completed by 30 September 2019.

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Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019****Note – 47**

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows. The changes in the Company's liabilities arising from financing activities can be classified as follows:

(₹ in lakhs)				
Particulars	Non-current borrowings (including current maturities)	Current borrowings	Interest accrued	Total
Net debt as at 1 April 2017	261,411.04	83,991.00	9,437.49	354,839.53
Proceeds from current/non-current borrowings (including current maturities)	71,247.77	1,077,045.44	-	1,148,293.21
Repayment of current/non-current borrowings (including current maturities)	(111,012.42)	(1,063,123.94)	-	(1,174,136.36)
Non-cash movement arising on account of amortisation of upfront fees and others	1,629.35	-	(1,629.35)	-
Interest expense	-	-	35,864.17	35,864.17
Interest paid	-	-	(39,428.20)	(39,428.20)
Net debt as at 31 March 2018	223,275.74	97,912.50	4,244.11	325,432.35
Proceeds from current/non-current borrowings (including current maturities)	147,732.00	809,752.20	-	957,484.20
Repayment of current/non-current borrowings (including current maturities)	(78,513.77)	(800,835.25)	-	(879,349.02)
Non-cash movement arising on account of amortisation of upfront fees and others	1,396.39	-	(1,396.39)	-
Interest expense	-	-	32,779.96	32,779.96
Interest paid	-	-	(32,399.66)	(32,399.66)
Net debt as at 31 March 2019	293,890.36	106,829.45	3,228.01	403,947.82

Note – 48

During the year ended 31 March 2018, IBREL-IBL Scheme Trust, of which the Company is the sole beneficiary, has sold 425.00 lakh shares of the Company for ₹ 88,215.00 lakhs. Hence, the Company adjusted the related investment in IBREL-IBL Scheme Trust and money received is recognised as share premium.

Note – 49

During the year, the Company has exercised its option to redeem its investments made in redeemable preference shares which were measured at amortised cost. The Company has de-recognised these during the year and related gain is recognised in statement of profit and loss.

Indiabulls Real Estate Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2019****Note – 50****A. Disaggregation of revenue**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in lakhs)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Revenue from contracts with customers		
Revenue from real estate properties advisory and management services	1,919.61	7,188.48

B. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Receivables		
Trade receivables	589.36	185.19
Total receivables	589.36	185.19

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

- C.** Ind AS 115 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. The Company has applied the full retrospective approach, however, there is no impact of this standard on these standalone financial statements.

Note – 51

Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Company has not provided for any liability on account of this.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of board of directors

Neeraj Sharma

Partner

Membership No. 502103

Gurbans Singh

Joint Managing Director

[DIN: 06667127]

Vishal Gaurishanker Damani

Joint Managing Director

[DIN: 00358082]

Place: Gurugram

Date: 23 April 2019

Anil Mittal

Chief Financial Officer

Ravi Telkar

Company Secretary

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the of Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To The Board of Directors of Indiabulls Real Estate Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Indiabulls Real Estate Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 31 December 2021 and the consolidated year to date results for the period 1 April 2021 to 31 December 2021, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the of Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the interim financial results of certain subsidiaries included in the Statement whose financial information reflects total assets of ₹168,616.58 lakhs as at 31 December 2021, and total revenues of ₹4,958.13 lakhs and ₹8,074.67 lakhs, total net profit after tax of ₹4,679.82 lakhs and ₹7,204.65 lakhs, total comprehensive income of ₹4,777.29 lakhs and ₹5,569.73 lakhs, for the quarter and year to date period ended on 31 December 2021, respectively, as considered in the Statement. These interim financial statements/ financial information/ financial results have been reviewed by other auditor whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amount and disclosures included in respect of the subsidiary is based solely on the review report of such other auditor and the procedures performed by us as stated in paragraph 3 above. Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the report of the other auditor.

Further, these subsidiaries are located outside India, whose interim financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditor under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial information of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on the review report of other auditor and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964
UDIN: 22084964AAAAAJ3284

Place: Mumbai
Date: 25 January 2022

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the of Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

Annexure 1

List of subsidiaries included in the Statement

Athena Land Development Limited, Athena Builders and Developers Limited, Athena Buildwell Limited, Athena Infrastructure Limited, Ceres Constructions Limited, Ceres Estate Limited, Ceres Infrastructure Limited, Ceres Land Development Limited, Ceres Properties Limited, Diana Infrastructure Limited, Diana Land Development Limited, Fama Infrastructure Limited, Fama Properties Limited, Flora Land Development Limited, Hermes Builders And Developers Limited, Hermes Properties Limited, Indiabulls Buildcon Limited, Makala Infrastructure Limited, Indiabulls Constructions Limited, Indiabulls Lands Limited, Ivonne Infrastructure Limited, Indiabulls Estate Limited, Indiabulls Commercial Estate Limited, Indiabulls Engineering Limited, Indiabulls Land Holdings Limited, Indiabulls Infrastructure Projects Limited, Indiabulls Commercial Properties Limited, Manjola Infrastructure Limited, Indiabulls Infraestate Limited, Indiabulls Infratech Limited, Juventus Constructions Limited, Juventus Estate Limited, Juventus Land Development Limited, Lucina Constructions Limited, Lucina Land Development Limited, Nilgiri Infraestate Limited, Nilgiri Infrastructure Development Limited, Nilgiri Infrastructure Projects Limited, Nilgiri Resources Limited, Noble Realtors Limited, Nilgiri Land Holdings Limited, Nilgiri Lands Limited, Nilgiri Land Development Limited, Nilgiri Infrastructure Limited, Selene Constructions Limited, Selene Infrastructure Limited, Selene Land Development Limited, Selene Builders And Developers Limited, Shivalik Properties Limited, Sylvanus Properties Limited, Triton Estate Limited, Triton Properties Limited, Vindhyachal Land Development Limited, Vindhyachal Infrastructure Limited, Zeus Buildwell Limited, Zeus Estate Limited, Hecate Power And Land Development Limited, Angina Properties Limited, Devona Properties Limited, Sentia Real Estate Limited, Sophia Real Estate Limited, Sophia Constructions Limited, Albina Real Estate Limited, Airmid Properties Limited, Albasta Properties Limited, Varali Real Estate Limited, Varali Constructions Limited, Aurora Builders And Developers Limited, Citra Properties Limited, Apesh Real Estate Limited, Apesh Properties Limited, Albina Properties Limited, Corus Real Estate Limited, Fornax Constructions Limited, Chloris Real Estate Limited, IB Holdings Limited, Elena Properties Limited, Elena Constructions Limited, Fornax Real Estate Limited, Indiabulls Multiplex Services Limited, Airmid Developers Limited, Sentia Developers Limited, Sentia Constructions Limited, Citra Developers Limited, Devona Developers Limited, Indiabulls Realty Company Limited, Indiabulls Projects Limited, Indiabulls Housing Developers Limited, Lenus Properties Limited, Lenus Constructions Limited, Sentia Infrastructure Limited, Sepset Developers Limited, Devona Infrastructure Limited, Varali Infrastructure Limited, Mariana Constructions Limited, Mariana Developers Limited, Indiabulls Housing And Land Development Limited, Mariana Real Estate Limited, Albasta Developers Limited, Albasta Constructions Limited, Albasta Infrastructure Limited, Albasta Real Estate Limited, Angles Constructions Limited, Lenus Infrastructure Limited, Mariana Properties Limited, Serida Properties Limited, Mabon Constructions Limited, Mabon Properties Limited, Mabon Infrastructure Limited, Milky Way Buildcon Limited, Indiabulls Industrial Infrastructure Limited, Varali Properties Limited, Apesh Constructions Limited,

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the of Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

IB Assets Limited, Fama Builders And Developers Limited, Juventus Infrastructure Limited, Kailash Buildwell Limited, Kaltha Developers Limited, Nilgiri Buildwell Limited, Serida Infrastructure Limited, Ashkit Constructions Limited, Vonnice Real Estate Limited, Fama Land Development Limited, Amadis Land Development Limited, Karakoram Buildwell Limited, Karakoram Properties Limited, Aedos Real Estate Company Limited, Lucina Estate Limited, Triton Infrastructure Limited, Vindhyaachal Buildwell Limited, Zeus Builders And Developers Limited, Paidia Infrastructure Limited, Fama Estate Limited, Lucina Builders And Developers Limited, Lorita Developers Limited, Fama Construction Limited, Lavone Builders And Developers Limited, Juventus Properties Limited, Lucina Buildwell Limited, Lucina Properties Limited, Selene Buildwell Limited, Selene Properties Limited, Tefia Land Development Limited, Vindhyaachal Developers Limited, Zeus Properties Limited, Varali Developers Limited, Platane Infrastructure Limited, Triton Buildwell Limited, Galium Builders And Developers Limited, Linnet Infrastructure Limited, Linnet Constructions Limited, Linnet Developers Limited, Linnet Real Estate Limited, Linnet Properties Limited, Edesia Constructions Limited, Edesia Developers Limited, Edesia Infrastructure Limited, Indiabulls Commercial Assets Limited, Lorena Developers Limited, Lorena Builders Limited, Lorena Infrastructure Limited, Lorena Constructions Limited, Lorena Real Estate Limited, Parmida Properties Limited, Parmida Developers Limited, Parmida Constructions Limited, Majesta Developers Limited, Majesta Infrastructure Limited, Majesta Builders Limited, Majesta Properties Limited, Majesta Constructions Limited, Nerissa Infrastructure Limited, Nerissa Real Estate Limited, Nerissa Developers Limited, Nerissa Properties Limited, Nerissa Constructions Limited, Tapir Land Development Limited, Cobitis Real Estate Limited, Tapir Constructions Limited, Serpentes Constructions Limited, Cobitis Buildwell Limited, Airmid Real Estate Limited, Sepset Real Estate Limited, Kenneth Builders & Developers Limited, Catherine Builders & Developers Limited, Bridget Builders and Developers Limited, Dev Property Development Limited, Foundvest Limited, Shoxell Holdings Limited, Brenformexa Limited, Grand Limited, Arianca Limited, Indiabulls Property Management Trustee Pte. Ltd., Ariston Investments Limited, Ariston Investments Sub C Limited, Grapene Limited, Indiabulls Properties Investment Trust, M Holdco 1 Limited, M Holdco 2 Limited, M Holdco 3 Limited, Navilith Holdings Limited, Indiabulls Real Estate Limited – Employees Welfare Trust.

Indiabulls REAL ESTATE

Indiabulls Real Estate Limited Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended 31 December 2021

Rs. in Lakhs						
Particulars	3 months ended 31 December 2021	Preceding 3 months ended 30 September 2021	Corresponding 3 months ended 31 December 2020	Year to date figures for current period ended 31 December 2021	Year to date figures for previous period ended 31 December 2020	Previous year ended 31 March 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	32,282.14	34,931.76	72,167.51	119,185.21	78,967.96	152,141.75
b) Other income	3,277.02	3,193.00	3,513.72	7,701.83	11,287.22	14,064.20
Total income	35,559.16	38,124.76	75,681.23	126,887.04	90,255.18	166,205.95
2 Expenses						
a) Cost of land, plots, constructed properties and others	31,589.74	27,526.04	53,709.02	101,631.63	59,444.86	111,327.01
b) Employee benefits expense	2,131.70	1,806.51	1,086.52	5,618.78	3,406.65	5,206.97
c) Finance costs	2,886.93	2,797.45	5,309.83	8,551.91	19,373.78	22,789.01
d) Depreciation and amortisation expense	285.62	291.37	326.51	867.98	1,451.96	1,725.01
e) Other expenses	4,207.72	3,355.96	4,481.48	11,277.27	12,689.98	17,638.62
Total expenses	41,101.71	35,777.33	64,913.36	127,947.57	96,367.23	158,686.62
3 Profit/(loss) before tax (1-2)	(5,542.55)	2,347.43	10,767.87	(1,060.53)	(6,112.05)	7,519.33
4 Tax expense						
a) Current tax expense - including earlier years	294.86	352.68	73.35	951.21	253.76	546.41
b) Deferred tax charge/(credit)	2,867.19	1,430.14	2,625.22	5,641.62	2,613.27	6,501.07
5 Net Profit/(Loss) after tax for the period/year (3-4)	(8,704.60)	564.61	8,069.30	(7,653.36)	(8,979.08)	471.85
6 Other comprehensive income						
(i) Items that will not be reclassified to profit or loss	6,461.98	(8,129.82)	(482.71)	11,606.49	2,413.51	3,005.73
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	2.79	0.11
(iii) Items that will be reclassified to profit or loss	97.47	(1,240.12)	(2,225.19)	(2,617.48)	(2,526.42)	(2,700.32)
(iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Other comprehensive income	6,559.45	(9,369.94)	(2,707.90)	8,989.01	(110.12)	305.52
7 Total comprehensive income for the period/year (5+6)	(2,145.15)	(8,805.33)	5,361.40	1,335.65	(9,089.20)	777.37
Net Profit/(loss) attributable to :						
Owners of the Holding Company	(8,721.97)	553.52	8,058.96	(7,692.21)	(9,011.36)	430.25
Non-controlling interests	17.37	11.09	10.34	38.85	32.28	41.60
Other comprehensive income attributable to :						
Owners of the Holding Company	6,559.45	(9,369.94)	(2,707.90)	8,989.01	(110.12)	305.52
Non-controlling interests	-	-	-	-	-	-
8 Earnings per equity share (Face value of Rs. 2 per equity share)						
(a) Basic (in Rs.)	(1.92)	0.12	1.77	(1.69)	(1.98)	0.10
(b) Diluted (in Rs.)	(1.92)	0.12	1.77	(1.69)	(1.98)	0.10
9 Paid-up equity share capital (face value of Rs. 2 per equity share)	9,059.81	9,030.77	9,030.77	9,059.81	9,030.77	9,030.77
10 Other equity (including non-controlling interest)						340,340.21
Notes to the consolidated financial results :						
1 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. 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.						
2 The consolidated financial results of the Group for the quarter and nine months ended 31 December 2021 have been reviewed by the Audit Committee and approved by the Board of Directors ('the Board') at its meeting held on 25 January 2022 and have been subjected to a limited review by the Statutory Auditors.						
3 The management has made an assessment of the Impact of COVID-19 on the Group's operations, financial performance and position as at and for the quarter & nine months ended 31 December 2021 and has concluded that the impact is primarily on the operational aspects of the business. In making the assessment management has considered the recoverability of trade receivables, investment and other assets and also considered the external and internal information available up to the date of approval of these financial results including status of existing and future customer orders, cash flow projections etc. and concluded that there is no significant Impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the financial results.						
4 Balance Sheet as at 31 December 2021 (Consolidated - Unaudited)						
Particulars				As at 31 December 2021	As at 31 March 2021	
				(Unaudited)	(Audited)	
ASSETS						
Non-current assets						
Property, plant and equipment and intangible assets						
Property, plant and equipment						
Intangible assets						
Investment property						
Financial assets						
Investments						
Other financial assets						
Deferred tax assets (net)						
Non-current tax assets (net)						
Other non-current assets						
Total of non-current assets						

Current assets		
Inventories	548,784.43	618,612.98
Financial assets		
Investments	6,128.58	105.18
Trade receivables	36,829.42	30,019.04
Cash and cash equivalents	6,873.55	8,116.09
Other bank balances	12,608.80	11,599.86
Loans	229.77	23,008.12
Other financial assets	96,590.38	93,896.48
Other current assets	13,556.14	14,377.62
Assets classified as held for sale	3.75	9,003.87
Total of current assets	721,604.82	808,739.24
Total of Assets	790,513.04	875,672.58
EQUITY AND LIABILITIES		
Equity		
Equity share capital	9,059.81	9,030.77
Instruments entirely in the nature of equity	42,500.00	42,500.00
Other equity	298,861.51	296,693.87
Total of Equity (for controlling shareholders of Holding Company)	350,421.32	348,224.64
Non-controlling interests	1,185.19	1,146.34
Total of Equity	351,606.51	349,370.98
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	19,637.56	37,805.58
Lease liabilities	1,444.01	-
Provisions	1,234.02	1,176.00
Other non-current liabilities	16,945.24	17,048.17
Total of non-current liabilities	39,260.83	56,029.75
Current liabilities		
Financial liabilities		
Borrowings	109,051.50	84,445.26
Lease liabilities	637.56	69.56
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	6,132.50	7,215.20
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,743.76	22,847.99
Other financial liabilities	10,893.92	45,127.91
Other current liabilities	246,084.33	302,403.06
Provisions	2,738.22	7,732.51
Current tax liabilities (net)	1,363.91	430.36
Total of current liabilities	399,645.70	470,271.85
Total of Equity and Liabilities	790,513.04	875,672.58
5 Code on Social Security, 2020 ("Code") has been notified in the Official Gazette of India on 29 December 2020, which could impact the contributions of the Group towards certain employment benefits. Effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of change will be assessed and accounted for in the period of notification of relevant provisions. 6 The Group's primary business segment is reflected based on principal business activities carried on by the Group. 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 Group 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. 7 Previous period/year numbers have been regrouped/reclassified wherever considered necessary.		

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To The Board of Directors of Indiabulls Real Estate Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Indiabulls Real Estate Limited ('the Company') for the quarter ended 31 December 2021 and the year to date results for the period 1 April 2021 to 31 December 2021, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an Audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964
UDIN: 22084964AAAAAI9225

Place: Mumbai
Date: 25 January 2022

Indiabulls Real Estate Limited Statement of Unaudited Standalone Financial Results for the quarter and nine months ended 31 December 2021						
Rs. in Lakhs						
Particulars	3 months ended 31 December 2021	Preceding 3 months ended 30 September 2021	Corresponding 3 months ended 31 December 2020	Year to date figures for current period ended 31 December 2021	Year to date figures for previous period ended 31 December 2020	Previous year ended 31 March 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	-	0.29	-	0.29	-	596.41
b) Other income	275.96	228.65	403.90	847.54	3,193.65	4,121.99
Total income	275.96	228.94	403.90	847.83	3,193.65	4,718.40
2 Expenses						
a) Cost of sales/services	-	-	-	-	-	-
b) Employee benefits expense	180.99	237.95	41.01	532.14	203.66	244.65
c) Finance costs	1,099.53	1,038.02	3,259.32	3,325.22	14,469.72	16,005.89
d) Depreciation and amortisation expense	55.65	22.99	44.14	98.84	367.98	388.43
e) Other expenses	192.62	124.04	147.41	848.44	1,712.19	2,005.87
Total expenses	1,528.79	1,423.00	3,491.88	4,804.64	16,753.55	18,644.84
3 Loss before tax (1-2)	(1,252.83)	(1,194.06)	(3,087.98)	(3,956.81)	(13,559.90)	(13,926.44)
4 Tax expense						
a) Current tax expense - including earlier years	-	-	-	-	-	-
b) Deferred tax (credit)/charge	132.12	(11.15)	10.67	134.91	26.89	36.14
5 Loss after tax for the period/year (3-4)	(1,384.95)	(1,182.91)	(3,098.65)	(4,091.72)	(13,586.79)	(13,962.58)
6 Other comprehensive income						
(i) Items that will not be reclassified to profit or loss	6,461.98	(7,885.80)	(438.10)	10,623.93	2,190.50	2,616.21
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	3.12
Other comprehensive income	6,461.98	(7,885.80)	(438.10)	10,623.93	2,190.50	2,619.33
7 Total comprehensive income for the period/year (5+6)	5,077.03	(9,068.71)	(3,536.75)	6,532.21	(11,396.29)	(11,343.25)
8 Earnings per equity share (Face value of Rs. 2 per equity share)						
(a) Basic (in Rs.)	(0.30)	(0.26)	(0.68)	(0.90)	(2.99)	(3.09)
(b) Diluted (in Rs.)	(0.30)	(0.26)	(0.68)	(0.90)	(2.99)	(3.09)
9 Paid-up equity share capital (face value of Rs. 2 per equity share)	9,059.81	9,030.77	9,030.77	9,059.81	9,030.77	9,030.77
10 Net worth	639,744.97	633,780.49	632,147.25	639,744.97	632,147.25	632,200.31
11 Debenture redemption reserve	6,875.00	6,875.00	27,062.50	6,875.00	27,062.50	27,062.50
12 Outstanding redeemable preference share	-	-	-	-	-	-
Ratios						
13 Debt equity ratio	0.08	0.06	0.15	0.08	0.15	0.08
14 Debt service coverage ratio	(0.14)	(0.15)	0.00	(0.04)	0.01	0.01
15 Interest service coverage ratio	(0.14)	(0.15)	0.05	(0.19)	0.06	0.13
16 Current ratio	19.89	6.87	16.18	19.89	16.18	9.47
17 Long term debt to working capital	0.13	0.10	0.25	0.13	0.25	0.12
18 Bad debt to account receivable ratio	-	-	-	-	-	-
19 Current liability ratio	0.28	1.00	0.21	0.28	0.21	0.59
20 Debtor turnover ratio	-	-	-	-	-	-
21 Inventory turnover ratio	-	-	-	-	-	-
22 Operating margin	-	0.00	-	0.00	-	0.13
23 Net profit margin	(5.02)	(5.17)	(7.67)	(4.83)	(4.25)	(2.96)
Notes to the standalone financial results:						
1 The standalone financial results of Indiabulls Real Estate Limited ('IBREL' or 'the Company') for the quarter and nine months ended 31 December 2021 have been reviewed by the Audit Committee and approved by the Board of Directors ('the Board') at its meeting held on 25 January 2022. These standalone financial results have been subjected to a limited review by the Statutory Auditors of the Company.						
2 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.						
3 Balance Sheet as at 31 December 2021 (Standalone - Unaudited)						
					Rs. in Lakhs	
Particulars					As at 31 December 2021	As at 31 March 2021
					(Unaudited)	(Audited)
ASSETS						
Non-current assets						
Property, plant and equipment					647.94	139.39
Financial assets						
Investments					389,809.12	379,306.46
Other financial assets					57.26	605.32
Deferred tax assets (net)					140.76	275.67
Non-current tax assets (net)					4,083.26	6,004.78
Total of non-current assets					394,738.34	386,331.62
Current assets						
Inventories					90.19	90.19
Financial assets						
Investments					4,600.38	-
Cash and cash equivalents					1,463.03	645.70
Other bank balances					5,653.73	5,402.91
Loans					284,570.20	283,326.04
Other financial assets					5.59	21.50
Other current assets					1,511.64	1,456.42
Assets classified as held for sale					3.75	9,003.87
Total of current assets					297,898.51	299,946.63
Total of Assets					692,636.85	686,278.25

EQUITY AND LIABILITIES			
Equity			
Equity share capital	9,059.81	9,030.77	
Other equity	630,685.16	623,169.54	
Total of equity	639,744.97	632,200.31	
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	-	22,359.32	
Lease liabilities	365.65	-	
Provisions	48.64	44.00	
Total of non-current liabilities	414.29	22,403.32	
Current liabilities			
Financial liabilities			
Borrowings	50,253.30	29,888.67	
Lease liabilities	151.60	10.19	
Other financial liabilities	2,032.88	1,765.55	
Other current liabilities	38.81	9.21	
Provisions	1.00	1.00	
Total of current liabilities	52,477.59	31,674.62	
Total of Equity and Liabilities	692,636.85	686,278.25	
4 During second quarter of the previous year, the Board of Directors of the Company had considered and approved the proposal of merger of NAM Estates Private Limited ("NAM Estates") and Embassy One Commercial Property Development Private Limited ("NAM Opco") both Embassy group entities with the Company ("Amalgamation"). The proposed Amalgamation will be achieved through a cashless composite scheme of amalgamation of NAM Estates and NAM Opco into the Company, in accordance with Section 230-232 of the Companies Act, 2013 read with the rules framed thereunder, as amended, and the Securities and Exchange Board of India circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017, as amended and other applicable regulations and provisions, subject to necessary statutory and other approvals ("Scheme"). Upon effectiveness of the Scheme, IBREL will issue its equity shares, in accordance with the approved share swap ratios, to the shareholders of NAM Estates and NAM Opco, which will include Embassy promoter and promoter entities, Embassy institutional investors and other shareholders. For the proposed Amalgamation and arriving to share swap ratio, IBREL is valued at Rs 92.50 per share. During the last quarter of the previous year, the Scheme had been granted approval by Competition Commission of India ("CCI") and SEBI/Stock exchanges. During the previous quarter, the Company had filed the requisite joint application with jurisdictional bench of NCLT, for its approval to the Scheme of Merger. During the quarter, the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), NCLT vide its order dated December 23, 2021, has directed the Company to convene a meeting of its shareholder on February 12, 2022, through Video Conference/Other Audio Visual Means, under the Chairmanship of NCLT appointed Chairperson, to seek approval of shareholders of the Company to the proposed Scheme of Merger. Subsequent to the quarter end, the Company had completed the dispatch of the Notice of EGM through e-mail on January 13, 2022, to all its shareholders, holding equity shares of the Company as on December 31, 2021, and whose email IDs are registered with the Company/Depositories.			
5 In order to augment the long-term resources of the Company and to maintain sufficient liquidity for meeting funding requirements for business activities, existing and new projects and future business growth, the Board of Directors of the Company, during the quarter has, inter alia, approved raising of funds, aggregating upto Rs. 1,500 Crores or its equivalent in any other currency(ies) (inclusive of such premium as may be fixed on such securities), through one or more Qualified Institutions Placement in terms of Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations") and/or any other permissible mode(s), in accordance with the ICDR Regulations and other applicable regulations, through public and/or private offerings of equity shares and/or any other convertible or exchangeable securities, including Global Depository Receipts, and/or American Depository Receipts and/or Foreign Currency Convertible Bonds, and/or Foreign Currency Exchangeable Bonds and/or warrants with or without non-convertible debentures with the rights exercisable by the warrant holders to exchange such warrants with equity shares and/or any other financial instruments/ securities convertible into or linked to equity shares, or any combination thereof, in one or more tranches and/or one or more issuances simultaneously or otherwise, subject to necessary approvals including the approval of the members of the Company and such other regulatory/ statutory approvals as may be required.			
6 During the quarter, the Company has issued and allotted 14,52,020 (Fourteen Lakh Fifty Two Thousand and Twenty only) fully paid-up Equity shares of face value Rs. 2/- each, to eligible employees upon exercise of options vested in their favour under various ESOP Schemes of the Company. Consequent to the said allotment, the paid-up Equity share capital of the Company stands increased from Rs. 90,93,27,752/- divided into 45,46,63,876 Equity shares of face value Rs.2/- each, to Rs.91,22,31,792/- divided into 45,61,15,896 Equity shares of face value Rs.2/- each.			
7 The management has made an assessment of the Impact of COVID-19 on the Company's operations, financial performance and position as at and for the quarter & nine months ended 31 December 2021 and has concluded that the impact is primarily on the operational aspects of the business. In making the assessment management has considered the recoverability of trade receivables, investment and other assets and also considered the external and internal information available up to the date of approval of these financial results including status of existing and future customer orders, cash flow projections etc. and concluded that there is no significant Impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the financial results.			
8 Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on 29 December 2020, which could impact the contributions of the Company towards certain employment benefits. Effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of change will be assessed and accounted for in the period of notification of relevant provisions.			
9 During the quarter, eleven wholly owned subsidiaries of the Company have been voluntarily dissolved and have been struck off from the register of companies maintained by the Registrar of Companies.			
10 The listed non convertible debentures of the Company are secured by way of first mortgage/charge on the Company and its subsidiaries properties and asset cover thereof exceeds 100% of the principal amount of the said debentures.			
11 There is no material deviation in the use of the proceeds of issue of non convertible debts from the objects stated in the respective offer documents.			
12 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.			
13 Previous period/year numbers have been regrouped/reclassified wherever considered necessary.			
Registered Office : Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram - 122016, Haryana Corporate Identity Number (CIN) : L45101HR2006PLC095409			
FOR AND ON BEHALF OF BOARD OF DIRECTORS			
Place : Gurugram		Mehul Johnson	
Date : 25 January 2022		Joint Managing Director	

INDEPENDENT AUDITOR’S REPORT

To the Board of Directors of **NAM Estates Private Limited**

Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion

We have audited the accompanying special purpose consolidated financial statements of **NAM Estates Private Limited** (the “Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its joint venture, which comprise the special purpose consolidated balance sheet as at March 31, 2021, the special purpose consolidated statement of profit and loss (including other comprehensive income) for year ended on that date and the special purpose consolidated statement of changes in equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the “Special Purpose Consolidated Financial Statements”). The Special Purpose Consolidated Financial Statements have been prepared by the management in accordance with Note 2 on the basis of the preparation of the Special Purpose Consolidated Financial Statements.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid Special Purpose Consolidated Financial Statements give a true and fair view, in accordance with the basis of preparation as specified in Note 2 to the Special Purpose Consolidated Financial Statements, of the financial position of the Group and its joint venture as at March 31, 2021, and its financial performance including other comprehensive income, and the changes in equity for the year ended as on that date.

Basis for Opinion

We conducted our audit of the Special Purpose Consolidated Financial Statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (‘SAs’). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements section of our report. We are independent of the Group and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the Special Purpose Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Consolidated Financial Statements.

Emphasis of Matter

In respect of the Holding Company, we draw attention to note 40(a) to the Special Purpose Consolidated Financial Statements, which details the pending litigation with respect to Holding Company's investment in Embassy East Business Parks Private Limited (erstwhile known as Concord India Private Limited). Our opinion is not modified in respect of this matter.

In respect of Summit Developments Private Limited (a subsidiary of the Holding Company), we draw attention to the sub-note 2(B) under note 24 of the Special Purpose Consolidated Financial Statements, which describes the effects on the Special Purpose Consolidated Financial Statements due to event of default notice served by the Compulsory Convertible Debentures (CCD) holders issued by Summit Developments Private Limited. Our opinion is not modified in respect of this matter.

Management's Responsibility for the Special Purpose Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Special Purpose Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, and changes in equity of the Group and joint venture in accordance with basis described in Note 2 of the Special Purpose Consolidated Financial Statements and in accordance with Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Special Purpose Consolidated Financial Statements, the respective Board of Directors of the companies included in Group and its joint venture are responsible for assessing the ability of the Group and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint venture, are responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. Evaluate the overall presentation, structure and content of the Special Purpose Consolidated Financial Statements, including the disclosures, and whether the Special Purpose Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Consolidated Financial Statements.

Other matters

We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of 28,641.98 millions (before consolidation adjustments) as at March 31, 2021, total revenues of Rs 249.75 millions (before consolidation adjustments) and net loss amounting to (512.51) millions for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of 15.16 millions for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the reports of the other auditors.

Basis of Preparation and Restriction on Use

Without modifying our opinion, we draw attention to note 2 to Special Purpose Consolidated Financial Statements, which describes the basis of preparation.

These Special Purpose Consolidated Financial Statements have been prepared by the management of NAM Estates Private Limited, and this report thereon issued, solely for the purpose of the management to enable them to be presented in the private placement document, on a standalone basis, for the proposed fund raise by Indiabulls Real Estate Limited. Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 22027388AEYWRC6097

Place: Bengaluru

Date: March 14, 2022

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Special purpose consolidated balance sheet
(all amounts in ₹ millions unless otherwise stated)

	Notes	As at 31 March 2021
ASSETS		
Non-current assets		
Property, plant and equipment	4	51.86
Intangible assets	5	0.74
Investment property	6	14,786.52
Investment property under development	7	6,177.78
Goodwill on consolidation		14.15
Investment in joint ventures and associates	8 (a)	0.10
Financial assets		
Other Investments	8 (b)	5,126.47
Loans	9	46.25
Other financial assets	10	1,264.78
Non-current tax assets (net)	11	73.88
Other non-current assets	12	33,753.31
Total non-current assets		61,295.84
Current assets		
Inventories	13	32,111.11
Financial assets		
Trade receivables	14	2,203.19
Cash and cash equivalents	15	360.48
Bank balances other than cash and cash equivalent	16	11.70
Loans	17	1,062.02
Other financial assets	18	796.20
Other current assets	19	1,162.11
Total current assets		37,706.81
Assets held for sale	20	-
Total assets		99,002.65
EQUITY AND LIABILITIES		
Equity		
Equity share capital	21	0.70
Other equity	22	6,290.46
Equity attributable to equity holders of the Holding Company		6,291.16
Non-controlling interest		6,728.13
Total equity		13,019.29
Non-current liabilities		
Deferred tax liability	23	4,129.63
Financial liabilities		
Borrowings	24	16,285.79
Other financial liabilities	25	471.99
Provisions	26	22.05
Other non current liabilities	27	0.66
Total non-current liabilities		20,910.12
Current liabilities		
Financial liabilities		
Borrowings	28	19,502.52
Trade payables		
Dues to micro, small and medium enterprises	29	327.70
Dues to parties other than micro, small and medium enterprises	29	1,983.23
Other financial liabilities	30	27,935.30
Provisions	31	2.24
Other non financial liabilities	32	15,322.25
Total current liabilities		65,073.23
Total liabilities		85,983.36
Total equity and liabilities		99,002.65
Significant accounting policies		
	3	

The notes referred to above form an integral part of these special purpose consolidated financial statements

As per our report of even date attached

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Nam Estates Private Limited

D N Sree Hari

Partner

Membership No. 027388

Place: Bengaluru

Date : March 14, 2022

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date : March 14, 2022

Rajesh Bajaj

Director

DIN: 00738227

Place: Bengaluru

Date : March 14, 2022

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Special purpose consolidated statement of profit and loss

(all amounts in ₹ millions unless otherwise stated)

	Notes	Year ended March 31, 2021
Income		
Revenue from operations	33	2,503.21
Other income	34	331.84
Total income		2,835.05
Expenses		
Land, material and contract cost	35	2,112.27
Employee benefit expense	36	187.39
Other expenses	39	7,439.82
		9,739.48
Earnings before finance costs, depreciation, amortization and tax		(6,904.43)
Finance costs	37	5,387.81
Depreciation and amortization	38	31.37
Profit/(loss) before exceptional items		(12,323.61)
Exceptional items		
Write off of goodwill		343.35
Profit/(loss) before tax		(12,666.96)
Tax expense:		
Current tax		-
Tax adjustments relating to previous year		(9.36)
Deferred tax		(1,448.41)
Profit/(loss) after tax before share of associate/ joint venture net profit		(11,209.19)
Share of net profit/(loss) in associates and joint ventures		(1.47)
Profit/(loss) after share of associate/ joint venture net profit		(11,210.66)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
- Remeasurement of defined benefit(liability)/asset		-
- Fair value of investments in equity instruments		2,549.05
Income tax relating to items that will not be reclassified subsequent to profit or loss		(296.90)
Other comprehensive income for the year, net of tax		2,252.15
Total comprehensive income/ (loss) for the year		(8,958.51)
Profit/(loss) for the year, net of tax attributable to :		
Equity holders of the Holding Company		(11,072.16)
Non-controlling interest		(138.50)
Total comprehensive income for the year, net of tax attributable to:		
Equity holders of the Holding Company		(8,820.01)
Non-controlling interest		(138.50)
Earnings per equity share:		
Equity shares of par value of ₹ 10 each		
Basic (₹ per share)	46	(27.69)
Diluted (₹ per share)	46	(27.69)
Significant accounting policies	3	

The notes referred to above form an integral part of these special purpose consolidated financial statements

As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D N Sree Hari
Partner
Membership No. 027388
Place: Bengaluru
Date : March 14, 2022

P R Ramakrishnan
Director
DIN: 00055416
Place: Bengaluru
Date : March 14, 2022

Rajesh Bajaj
Director
DIN: 00738227
Place: Bengaluru
Date : March 14, 2022

Special purpose consolidated statement of changes in equity as at March 31, 2021
(all amounts in ₹ millions unless otherwise stated)

A. Equity share capital

Particulars	
Balance as at 1 April 2020	0.70
Add: issued during the year	-
Balance as at March 31, 2021	0.70

B. Other equity

Particulars	Reserves and surplus		Other equity	Total other equity
	Capital reserve	Retained earnings		
Balance as at April 1, 2020	(652.22)	(2,627.36)	(293.47)	(3,573.05)
Equity component of compulsorily convertible debentures	-	-	1,789.90	1,789.90
Capital reserve generated due to de-merger	3,054.02	-	-	3,054.02
Capital reserve on consolidation	9,742.66	-	-	9,742.66
Loss for the year attributable to equity holders of the Holding Company	-	(8,820.01)	-	(8,820.01)
Equity portion of corporate guarantee received	-	-	99.53	99.53
Equity shares issued as consideration for demerger	-	-	3,997.41	3,997.41
Balance as at March 31, 2021	12,144.46	(11,447.37)	5,593.37	6,290.46

Significant accounting policies

The notes referred to above form an integral part of these special purpose consolidated financial statements
As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D N Sree Hari
Partner
Membership No. 027388

P R Ramakrishnan
Director
DIN: 00055416

Rajesh Bajaj
Director
DIN: 00738227

Place: Bengaluru
Date : March 14, 2022

Place: Bengaluru
Date : March 14, 2022

Place: Bengaluru
Date : March 14, 2022

1 Overview of the Group

The special purpose consolidated financial statements comprise financial statements of NAM Estates Private Limited ('the Company', 'the Parent Company' or 'Holding Company') together with its subsidiaries (collectively termed as 'the Group') and joint ventures (collectively termed as the 'Consolidated Entities') for the year ended March 31, 2021. Nam Estates Private Limited was incorporated on June 02, 1995. The Group is engaged in the business of real estate development of commercial, residential, hospitality, development of township and related activities.

2 Basis of preparation of special purpose consolidated financial statements

These special purpose consolidated financial statements have been prepared to be presented in the private placement document, for the proposed fund raise by Indiabulls Real Estate Limited. The Holding Company had not presented its consolidated financial statements for year ended March 31, 2021 in its Annual General Meeting for the year then ended, as it had claimed exemption from preparation under paragraph 4(a) from Ind AS 110. These special purpose consolidated financial statements have now been prepared giving effect to the Scheme of Arrangement amongst the Holding Company and Embassy Property Developments Private Limited (EPDPL) and their respective shareholders and creditors ("the Scheme") for the demerger of the identified residential / commercial projects and investments of EPDPL, either held directly or as investments in subsidiaries of EPDPL approved by the Regional Director ("RD"), South East Region, on August 04, 2021. The Scheme became effective from the appointed date April 1, 2020 upon filing of the certified copies of the RD Orders with the respective jurisdictional Registrar of Companies.

This financial statements have been prepared in accordance with the recognition and measurement principles prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Selected notes have been included that are significant for the understanding of the changes in the Company's financial position and performance since the last annual financial statements, wherever applicable.

2.01 Statement of compliance

The special purpose consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, Companies (Indian Accounting Standards) Amendment Rules, 2018 and other relevant provisions of the Act.

The Group's financial statements have been prepared on a going concern basis. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on the market value of the underlying inventory and Investment Properties held by the Group.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Group was unable to continue as a going concern.

2.02 Principles for consolidation

1) Business Combinations

Business combinations are accounted for using the Acquisition method. The acquisition date is the date on which control is transferred to the acquirer. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are at their acquisition date fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively

- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2) Subsidiaries

The Consolidated Financial Statements relate to NAM Estates Private Limited and its consolidated entities:

Subsidiaries are all entities over which NAM Estates Private Limited exercises control. The Holding Group exercises control if and only if it has the following:

- Power over the entity
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of its returns.

Nam Estates Private Limited

CIN:U85110KA1995PTC017950

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on March 31. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

2) Subsidiaries (continued)

The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-Group balances and intra-group transactions and resulting unrealised profits. Unrealised losses resulting from intra-group transactions are eliminated unless cost cannot be recovered.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

The Financial Statements of the subsidiaries used for the purpose of consolidation are drawn up to the same reporting date as of the Group.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstance and are presented to the extent possible, in the same manner, as the Group's Financial Statements.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3) Investment in joint ventures (accounted under equity method)

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether joint control are similar to those necessary to determine control over the subsidiaries. The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

2.03 Functional and presentation currency

These special purpose consolidated financial statements are presented in Indian Rupees, which is also the Group's functional currency. All the amounts have been rounded-off to the nearest millions, unless otherwise indicated.

2.04 Basis of measurement

The special purpose consolidated financial statements have been prepared on a historical cost basis, except for certain investments in equity instruments which is measured at fair value.

Items	Measurement basis
Certain financial assets and liabilities	Fair value

2.05 Use of estimates and judgements

The preparation of special purpose consolidated financial statements in conformity with Indian Accounting Standards ("IND AS") requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Judgments

Information about judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- (i) Classification of assets as investment property or as property, plant and equipment.- refer note 3.16
- (ii) Determination of the amount and timing of revenue from contracts with customers - refer note 3.01
- (iii) Valuation of fair value of OCD - period taken until scheme approval

2.06 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between marked participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the fair value measurement as a whole at the end of the reporting period.

2.07 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3 Significant accounting policies

3.01 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

i. Proceeds from sale of plotted development and constructed property

Revenue is recognized upon transfer of control of units of plots to customers and on completion of critical obligation as per the customer contract, in an amount that reflects the consideration the Group expects to receive in exchange for those units of plots. The Group shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of plotted development, the Group satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the units of plots for residential use which coincides with the execution of sale deed.

To estimate the transaction price in a contract, the Group adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Group when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred unit of plots.

ii. Recognition of revenue from transfer of assignment rights

Revenue from transfer of assignment rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from transfer of assignment rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

iii. Guarantee Income

Financial guarantees issued by the Group are recognised initially at fair value, and the financial guarantee is recognised in P&L over the tenure of the

iv. Interest income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

v. Dividend income

Dividends is recognised when the share holder's or unit holder's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.02 Investment properties

i. Recognition and measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. The cost of the assets not ready for their intended use before such date, are disclosed as Investment property under development.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Investment properties are depreciated on straight-line method over their estimated useful lives. However, where the Management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the investment property can be measured reliably.

iii. Depreciation

Based on an independent assessment, the management has estimated the useful lives of the following class of assets. Depreciation is provided on straight line method as per the following useful life of the assets estimated by the management:

Asset	Useful life
Building	5-60 years
Plant and equipment/Electrical equipment	15 years
Furniture and fixtures	10 years
Computer	3 years
Operational supplies	2 years
Office equipment	1-5 years
Electrical equipment	10 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year. In case of assets taken over through demerger, the balance useful life of the assets in the transferor entity have been considered as the useful life of the assets in the Company.

iv. Derecognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

3.03 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation/impairment losses if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use is capitalised up to the date the assets are ready for commercial use.

Subsequent expenditure relating to an item of the asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other related expenses, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss (P&L) for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of the asset are measured as differences between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Depreciation

Based on an independent assessment, the management has estimated the useful lives of the following class of assets. Depreciation is provided on straight line method as per the following useful life of the assets:

Asset	Useful life
Motor Vehicles	5-8 years
Computers	3 years
Furniture and fixtures	5-10 years
Office equipment	1-5 years

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

In case of assets taken over through demerger, the balance useful life of the assets in the transferor entity have been considered as the useful life of the assets in the Company.

3.04 Inventories

Related to real estate activities

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

i. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.

ii. Finished goods - Plots: Valued at lower of cost and net realisable value.

iii. Land inventory: Valued at lower of cost and net realisable value.

3.05 Impairment of assets

Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The Group tests for impairment using the ECL model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime ECL. Life time ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. For financial assets measured at amortised cost, ECL is presented as an allowance which reduces the net carrying amount of the financial asset.

3.06 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through profit or loss.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in P&L.
FVTPL	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.

Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instrument

A financial asset is primarily derecognised when:

- the rights to receive the cash flows from the asset have expired or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.07 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with borrowings of funds. Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

In case of extended periods during which activities necessary for bringing the asset ready for its intended use are not undertaken, the Group suspends the capitalisation of borrowing cost to the asset.

3.08 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding book overdrafts that are repayable on demand are considered part of the Group's cash management system.

3.09 Foreign currency

i. Functional currency

The Group's financial statements are presented in INR, which is also the Group's functional currency.

ii. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.10 Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in the OCI or in the equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

3.11 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

3.12 Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3.13 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

3.14 Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

3.15 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Classification of property

The Group determines whether a property is classified as investment property or inventory:

The Group is developing a township project containing various types of real estate development. Based on the intention of use, the land property and related development cost have been classified as either investment property, property plant & equipment or have been inventorised.

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Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

Investment property comprises land and buildings (principally offices, commercial and school property) that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented or intended to be rented to tenants and not intended to be sold in the ordinary course of business. Inventory property comprises of property that is held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction/development.

The Group based its assumptions and estimates on parameters available on the reporting period about future developments. The above judgements may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.16 Earnings before finance costs, depreciation, amortisation and tax

The Group has elected to present earnings before finance cost, depreciation, amortisation and tax as a separate line item on the face of the Statement of Profit and Loss. The Group measures earnings before finance cost, depreciation, amortisation and tax on the basis of profit/ (loss) from continuing operations.

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Nam Estates Private Limited

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Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

4 Property, plant and equipment

Reconciliation of carrying amount for the year ended March 31, 2021

Particulars	Tangible, owned				Total
	Office Equipments	Furniture and fixtures	Vehicles	Computers	
Gross Block (Cost or deemed cost)					
Balance as at April 1, 2020	1.31	0.03	1.67	-	3.01
Acquired as part of demerger	0.05	0.20	-	-	0.25
Additions	-	-	51.36	0.73	52.09
Deletions	-	-	-	-	-
Balance as at March 31, 2021	1.35	0.24	53.03	0.73	55.35

Accumulated depreciation

Balance as at April 1, 2020	1.00	0.03	0.85	-	1.88
Acquired as part of demerger	0.01	0.03	-	-	0.04
Charge for the year	0.13	0.02	1.31	0.10	1.57
Balance as at March 31, 2021	1.14	0.08	2.16	0.10	3.49

Carrying amounts (net):

Balance as at March 31, 2021	0.21	0.15	50.87	0.63	51.86

Notes:

1) Refer note no 24 for information on the charge created

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Nam Estates Private Limited

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Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

5 Intangible assets

Reconciliation of carrying amount for the year ended March 31, 2021

Particulars	Intangible	
	Software	Total
<u>Gross Block (Cost or deemed cost)</u>		
Balance as at April 1, 2020	4.71	4.71
Acquired as part of demerger	-	-
Additions	-	-
Deletions	-	-
Balance as at March 31, 2021	4.71	4.71

Accumulated depreciation

Balance as at April 1, 2020	3.02	3.02
Acquired as part of demerger	-	-
Charge for the year	0.95	0.95
Balance as at March 31, 2021	3.97	3.97

Carrying amounts (net):

Balance as at March 31, 2021	0.74	0.74

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Nam Estates Private Limited

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Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

6 Investment property

Reconciliation of carrying amount for the year ended March 31, 2021

Particulars	Building	Plant & Machinery	Electrical Equipments	Office Equipments	Furniture and fixtures	Computers	Operating supplies	Leasehold land (Note 1 and 2)	Freehold land	Total
Gross Block										
Balance as at 1 April 2020	-	-	-	-	-	-	-	13,923.28	204.27	14,127.55
Acquired as part of demerger	273.86	63.14	87.88	0.08	89.31	0.19	61.83	-	246.32	822.61
Additions during the year	-	-	-	-	-	-	-	-	-	-
Disposal/Other Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	273.86	63.14	87.88	0.08	89.31	0.19	61.83	13,923.28	450.59	14,950.16
Accumulated depreciation										
Balance as at 1 April 2020	-	-	-	-	-	-	-	-	-	-
Acquired as part of demerger	16.29	10.62	22.43	0.02	23.50	0.10	61.83	-	-	134.79
Charge for the year	6.29	4.21	8.83	0.02	9.44	0.06	-	-	-	28.85
Balance as at 31 March 2021	22.58	14.83	31.25	0.04	32.95	0.16	61.83	-	-	163.64
Carrying amounts (net):										
As at 31 March 2021	251.28	48.32	56.63	0.04	56.36	0.03	-	13,923.28	450.59	14,786.52

Nam Estates Private Limited

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Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

Notes:

1) Value of Leasehold Land

The value of Leasehold Property comprises of fair value amount as on April 01, 2020 assigned by Independent Valuer on demerger of the same from Embassy Property Developments Private Limited and cost incurred subsequently.

2) Restriction on realisability

a) Karnataka Industrial Area Development Board (KIADB) has allotted 78.2219 acres of land to the Group on lease-cum-sale basis. Of the above, 58 acres of land is leased for a period of 20 years and 20.2219 acres is for a period of 11 years. Subsequent to the year end, KIADB extended the 20.2219 acres lease period 20 years from 11 years of initial lease period. The allotment is to develop infrastructure facilities for IT/ITES companies. In accordance with the terms of agreement with KIADB, a consideration of Rs 398.76 million has been paid to KIADB and Rs 33.7 million towards stamp duty. The agreement gives a right to the Group to acquire land at the end of the lease term for no additional consideration. However, if KIADB incurs any further cost towards settlement to the previous owners, KIADB has the right to recover the additional consideration from the Group. During the period of the lease term till transfer of ownership, the Group is required to pay a nominal rent of Rs 78,550 per annum. As at the balance sheet date, as KIADB has not intimated any additional consideration, the Management believes that no further cost is required to be paid to KIADB.

The above land includes 18 acres of land which has been sub-leased to a party for a total consideration of Rs 333.23 million under a lease cum sale agreement. Accordingly, the proportionate cost of such 18 acres of land has been classified as assets held for sale.

During the current year the Group has filed an application with Managing Director of Karnataka Udyoga Mitra for the change in activities as compared to the original lease cum sale agreement.

b) The aforementioned parcel of land was subject to litigation between the Range Forest Officer, Bangalore and the Group. The Range Forest Officer had issued notice vide No. 176/2007-2008 to the Group alleging that the land allotted by KIADB to the Group is a forest land and the Group is in unauthorised occupation of the forest land. Aggrieved by the said notice, the Group had filed a writ petition before the Honourable High Court of Karnataka appealing for quashing of the said notice issued by the Forest Department. The Honourable High Court of Karnataka on 25 May 2012 has allowed the writ petition no. 7200/2008 filed by the Group confirming that the land allotted by KIADB is not a forest land. Aggrieved by the said order dated 25 May 2012, the Forest Department has filed an appeal vide W.A. 4283/2012 before the Honourable High Court of Karnataka. The Group has also filed an appeal vide W.A. 4205/2012 seeking certain clarifications on certain observations made in the order dated 25 May 2012. The Honourable High Court of Karnataka, on 23 July 2019 has dismissed the appeal filed by the Forest Department vide W.A. 4283/2012 and also disposed of the appeal filed by the Group vide W.A. 4205/2012.

Further the Range Officer, Bengaluru filed an appeal with the Honourable Supreme Court of India and the appeal was dismissed on 19 November 2020.

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Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

7 Investment property under development

Particulars	As at March 31, 2021
Embassy Springs (refer note (i) below)	782.94
Embassy East Business Park (refer note (i) below)	3.02
Embassy Knowledge Park (refer note (i) below)	23.39
Embassy Cornerstone Tech Valley (refer note (ii) below)	4,769.20
Embassy Prism (refer note (iii) below)	591.81
Embassy Boulevard - Club House (refer note (iii) below)	7.42
	6,177.78

i) Investment property under development for Embassy Springs, Embassy East Business Park and Embassy Knowledge Park comprises of infrastructure cost incurred for the development of property predominantly for the club house, school development in Springs and other commercial developments.

ii) Investment property under development for Embassy Cornerstone Tech Valley comprises of fair value amount as on April 01, 2020 as assigned by Independent Valuer on demerger of the same from Embassy Property Developments Private Limited (refer note 42 for details Scheme of Arrangement)

iii) Investment property under development for Embassy Prism and Embassy Boulevard - Club House comprises of fair value amount as on April 01, 2020 assigned by Independent Valuer on demerger of the same from Embassy Property Developments Private Limited and cost incurred subsequently.(refer note 42 for details Scheme of Arrangement)

8 Non current investments

(a) Investments in joint venture and associates

Particulars	As at March 31, 2021
Investment in partnership firm / LLP	
Embassy Investment MGT Services LLP	0.10
	0.10
Aggregate amount of quoted investment	-
Aggregate amount of unquoted investments	0.10
Aggregate amount of impairment in value of investments	-
Investment carried at cost	0.10
Investment carried at amortised cost	-
Investment carried at Fair value through Other Comprehensive Income	-
Investment carried at Fair value through Statement of Profit & Loss	-

(b) Other investments

Particulars	Face value per share	Numbers	As at March 31, 2021
Quoted			
Investments carried at fair value through other comprehensive income			
Investments in equity instruments			
Indiabulls Real Estate Limited	2	6,30,95,240	5,126.47
			5,126.47
Aggregate amount of quoted investment			5,126.47
Aggregate amount of unquoted investments			-
Aggregate amount of impairment in value of investments			-
Investment carried at cost			-
Investment carried at amortised cost			-
Investment carried at Fair value through Other Comprehensive Income			5,126.47
Investment carried at Fair value through Statement of Profit & Loss			-

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)
(all amounts in ₹ millions unless otherwise stated)

9 Non-current loans

Particulars	As at March 31, 2021
Unsecured, considered good	
Security deposits	
Others	44.27
Loans to employees	1.98
	46.25

10 Non-current financial assets

Particulars	As at March 31, 2021
Refundable security deposit for joint development project	1,050.00
Deposits with banks (original maturity more than 12 months)(refer note 1 below)	192.30
Interest accrued but not due on fixed Deposits	22.48
	1,264.78

Note 1: The deposit is held as margin money deposit under lien to banks

11 Non-current tax assets (net)

Particulars	As at March 31, 2021
Advance tax, net of provision for tax	73.88
	73.88

12 Other non-current assets

Particulars	As at March 31, 2021
Capital advances	
- Advances paid for purchase of land (refer note 1 below)	33,747.03
- Others	1.64
Other than Capital Advances	
Prepaid guarantee expenditure	4.64
	33,753.31

Note 1: The advance paid for land includes the amount paid and the fair value of the land to be acquired under Summit Developments Private Limited

13 Inventories(valued at lower of cost and net realizable value)

Particulars	As at March 31, 2021
Cost of land, infrastructure development and stock of constructed properties	30,428.21
Rights in plots/apartments	1,682.90
	32,111.11

The cost of inventory includes cost of land and development cost for Embassy Springs and projects being demerged from Embassy Property Developments Private Limited (EPDPL). The value of inventory as on 31 March 2021 for Projects being demerged from EPDPL comprises of fair value amount as as on April 01, 2020 assigned by Independent Valuer and cost incurred subsequently.(refer note 42 for details of Scheme of Arrangement)

14 Trade receivables

Particulars	As at March 31, 2021
Unsecured	
Considered good	2,210.50
Having significant increase in credit risk	-
Credit impaired	-
	2,210.50
Less: Allowance for impairment loss	(7.31)
	2,203.19

Of the above trade receivables from related parties are as below:

Particulars	As at March 31, 2021
Trade receivables considered good - unsecured	27.81
Loss allowance	-
	27.81

15 Cash and cash equivalents

Particulars	As at March 31, 2021
Balances with banks	
- in current accounts	225.64
- in escrow account (Refer note (i) below)	107.42
Cash on hand	27.42
	360.48

Note:

(i) ₹ 107.42 millions is held in escrow account with HDFC Bank Limited for repayment of term loans (Refer note 24)

16 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2021
Deposits with Banks (original maturity less than 12 months)	
- Remaining maturity more than three months but less than twelve months	11.70
	11.70

17 Loans

Particulars	As at March 31, 2021
Unsecured, considered good	
Inter corporate deposit to related party (refer note 41)*	1,024.40
Inter corporate deposit to others	25.20
Current Account balance with Partnership firm	7.92
Loans to employees	4.50
	1,062.02

*Refer note 41 for details of transactions with related parties

18 Other financial assets

Particulars	As at March 31, 2021
Unsecured, considered good	
Interest accrued but not due on	
- Intercompany deposits to related party (refer note 41)	77.04
- Intercompany deposits to others	5.58
Refundable security deposit for joint development project	288.42
Recoverable advance to employees	2.09
Receivable on account of slump sale	303.44
Other receivable from related parties (Refer note 41)	119.63
	796.20

19 Other current assets

Particulars	As at March 31, 2021
Unbilled revenue	3.85
Prepaid guarantee expenditure	15.80
Prepayments	0.37
Advance for supply of goods and rendering of services	521.32
Balance with government authorities	620.77
	1,162.11

20 Assets held for sale

Particulars	As at March 31, 2021
Investment Property held for sale (refer note below)	-
	-

Note:

The Group has entered into an agreement with Mandava Holdings Private Limited for sub-lease cum sale of 18 acres of the total 78 acres of land obtained on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB) for a total consideration of ₹ 333.23 million which has already been received by the Group.

As at the balance sheet date, the assets held for sale has been stated at fair value as on April 01, 2020 assigned by Independent Valuer on demerger of the same from Embassy Property Developments Private Limited. Completion of the transaction is dependent on obtaining NOC from KIADB for sublease of the said land.

Nam Estates Private Limited**CIN:U85110KA1995PTC017950****Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)**

(all amounts in ₹ millions unless otherwise stated)

21 Equity share capital

Particulars	As at March 31, 2021
Authorised Capital	
200,000 equity shares of Rs 10 each	2.00
	2.00
Issued, subscribed and paid up	
70,002 equity shares of Rs 10 each, fully paid up	0.70
	0.70

(i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is given below

	As at 31 March 2021	
	No of shares	Amount
Number of equity shares outstanding at the beginning of the year	70,002	0.70
Number of equity shares issued during the year	-	-
Number of equity shares outstanding at the end of the year	70,002	0.70

(ii) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of share referred to as equity shares having a par value of ₹ 10. Each holder of the equity share, as reflected in the records of the Holding Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Holding Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shareholders holding more than 5 percent equity shares of the Group:

The following is the details of equity shareholders holding more than 5 percent equity shares as per Register of Members as on 31 March 2021

Name of the share holder	As at 31 March 2021	
	No of shares	% holding
Embassy Property Developments Private Limited *	70,002	100%
	70,002	100%

* 1 Share is jointly held with Mr. Jitendra Virwani

Nam Estates Private Limited**CIN:U85110KA1995PTC017950****Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)**

(all amounts in ₹ millions unless otherwise stated)

(iii) Equity shareholders holding more than 5 percent equity shares of the Group (continued):

The following is the details of equity shareholders holding more than 5 percent voting post the Scheme of Arrangement (the appointed date being April 01, 2020)

Name of the share holder	As at 31 March 2021	
	No of shares	% holding
Embassy Property Developments Private Limited (refer note 1 below)	70,002	0.02%
JV Holding Private Limited (refer note 2 below)	36,74,28,509	91.90%
Aditya Virwani (refer note 2 below)	1,02,50,000	2.56%
Karan Virwani (refer note 2 below)	1,02,50,000	2.56%
Neel Virwani (refer note 2 below)	1,02,50,000	2.56%
Others (refer note 2 below)	15,62,880	0.39%
	39,98,11,391	100.00%

Note 1: 1 Share is jointly held with Mr. Jitendra Virwani

Note 2: 39,97,41,389 shares has been issued as consideration under the Scheme of Arrangement (refer note 42)

(iv) Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

(v) Issue of securities convertible into equity shares (refer note 22)

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22 Other equity

Particulars	As at March 31, 2021
Capital reserve	
At the commencement of the year	(652.22)
Add: Additions during the year	12,796.68
At the end of the year	12,144.46
Retained earnings	
At the commencement of the year	(2,627.36)
Add: Net (loss) for the year	(8,820.01)
At the end of the year	(11,447.37)
Equity portion of Interest free loans	
At the commencement of the year	(264.67)
Add: Additions during the year	-
At the end of the year	(264.67)
Equity portion of Corporate guarantee	
At the commencement of the year	(28.80)
Add: Additions during the year	99.53
At the end of the year	70.73
Equity issued as consideration for demerger	
At the commencement of the year	-
Add: Additions during the year	3,997.41
At the end of the year	3,997.41
Equity component of compulsorily convertible debentures	
At the commencement of the year	-
Add: Additions during the year	1,789.90
At the end of the year	1,789.90
	6,290.46

Nature and purpose of other reserves:**Capital reserve**

The Holding Company vide Scheme of Amalgamation ('the Scheme') in the year 2016-2017 merged its wholly-owned subsidiary Swire Investments Private Limited ('SIPL'). Given that SIPL was a wholly-owned subsidiary of the Holding Company there is no consideration payable for the amalgamation of SIPL with the Holding Company and the consequent transfer of the undertaking, properties, assets and liabilities of SIPL to the Holding Company. The difference of the value of the assets over the liabilities of SIPL vested in the Holding Company has been accounted as capital reserves in the Holding Company.

As detailed in note 42 identified residential / commercial projects and investments of Embassy Property Developments Private Limited has been demerged to the Holding Company. The Holding Company has recognised the effect of the demerger on April 1, 2020 and accounted the assets and liabilities taken over at fair value in accordance with Ind AS 103 Business Combination. The difference in the fair value of the net assets of the specified undertaking demerged and the consideration issued, is recognised as capital reserve.

Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Group is presented under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the statement of profit and loss to retained earnings.

Equity portion of interest free loans

It represents the equity component arising on fair valuation of the said loans as required under Ind AS 109.

Equity portion of corporate guarantee

It represents the equity component arising on fair valuation of the corporate guarantee on loan taken by erstwhile holding Company as required under Ind AS 109.

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

22 Other equity (continued)

Equity issued as consideration for demerger

As per the approved Scheme of Arrangement with Embassy Property Developments Private Limited, all the shareholders of the Demerged Company (EPDPL) are allotted 41 fully paid-up equity share of Rs. 10 each in the Holding Company, for every 100 fully paid-up equity share of Rs 10 each held by them in EPDPL.

The abovesaid process of issue of equity shares has been completed post receipt of the Order dated August 04, 2021. The Holding Company has reflected the increase in equity capital under other equity, until the actual issuance of shares, in these special purpose consolidated financial statements as the scheme came into effect on April 01, 2020.

23 Deferred tax liability

Particulars	As at March 31, 2021
Deferred tax liability	4,129.63
	4,129.63

24 Non-current borrowings

Particulars	As at March 31, 2021
Debentures	
Unsecured:	
Optionally convertible debentures (refer note 1 below)	2,783.73
Compulsorily convertible debentures (refer note 2 below)	0.01
Non convertible debentures (refer note 3 below)	930.00
Term Loans	
from banks and financial institutions and others (refer note 4 below)	12,533.93
Vehicle Loan	
from financial institution (refer note 5 below)	24.70
from banks (refer note 5 below)	13.42
	16,285.79

Note 1 : Terms and conditions for issue of Optionally convertible debentures

A 0 % unsecured fully paid optionally convertible debentures (OCDs):

During the year ended, 31 March 2021, the Group issued 30,000,000 optionally convertible debentures of ₹100 each. The term of the debentures is maximum 10 years from the allotment date unless redeemed or converted earlier. The OCDs carry coupon of 0%.

Conversion terms:

Unless redeemed earlier, at any time during the term, convertible at the option of either issuer/holder into such number of equity shares of face value Rs. 10 each based on higher of:

- (a) Fair market value determined on the date of conversion or
- (b) Rs. 10

On expiry of the term, at the option of the Group, the OCDs shall be converted into such number of equity shares as decided above. On receipt of CCI approval and approval of scheme by the tribunal, the OCDs will become CCDs and will be compulsorily convertible as mentioned above.

Name of debenture holder	As at March 31, 2021	
	No. of debentures	Amount (in millions)
Embassy Property Developments Private Limited	3,00,00,000	3,000.00

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

Note 2 : Terms and conditions for issue of Compulsorily Convertible Debentures

A 0.0001% fully and compulsorily convertible debentures (CCDs)

The CCD shall carry an annual coupon rate of 0.0001% per annum from the date of issue and allotment. The coupon shall be payable on an annual basis and be paid 15 calendar days from the end of each year ("Coupon Payment Date"), unless otherwise agreed to between the parties.

The CCD holders shall have right to convert any or all of the CCD's, any time during the tenure of the CCDs into 10 Equity Shares of Rs 10/- each fully paid up of the Group in respect of every 1(One) CCD of Rs 100/- each.

The term of the debentures is maximum 10 years from the allotment date. CCD's do not carry any voting rights. The investor shall have right to convert any or all of the CCD's, any time during the tenure of the CCD. Equity shares pursuant to conversion shall rank pari passu in all respects with the existing shares of the Group.

Name of debenture holder	As at March 31, 2021	
	No. of debentures	Amount (in millions)
Udhyaman Investments Private Limited	1,10,76,675	1,107.67
OMR Investments LLP	68,22,419	682.24

B 5% fully and compulsorily convertible debentures (CCDs)

The debentures shall carry interest at 5% per annum on the principal amount till the date of conversion. Interest shall be payable as on 31 March of each year ("Payment date"). All payments of interest rate shall be made net of any applicable withholding tax, payable in relation to such amounts. The interest is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date.

The debentures shall be compulsorily converted into equity shares in the following manner on expiry of 30 April 2021 (31 July 2020 prior to execution of the fifth amendment to Securities Subscription and Shareholders agreement dated 29 July 2019) or in the event of default, as defined in securities subscription and shareholders agreement dated 17 August 2011, whichever is earlier.

(i) At any time after the expiry of 30 April 2021 the holder of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted upon such conversion represents 18.59% of the share capital of the Company on a fully diluted basis as on the date of conversion.

(ii) at any time after the occurrence of an event of default, the holders of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted on such conversion represents 51% of the share capital of the Company on a fully diluted basis as on the date of the conversion.

While the CCDs are mandatorily convertible into equity shares at any time after the expiry of 30 April 2021 as per the extended agreement dated 30 July 2020, in accordance with the requirements of Guidance Note on Schedule III to the Companies Act, 2013, the conversion of CCDs into equity shares are considered as a means of settlement of the liability and since the investors have a right to convert after the expiry of 30 April 2021, these CCDs are classified as other current financial liabilities as at 31 March 2021.

During the year ended March 31, 2021, the CCD holders have issued an 'event of default' notice under the provisions of the Securities Subscription and Shareholders Agreement dated August 17, 2011. Subsequently, one of the Subsidiary Companies, Embassy Property Development Private Limited (EPDPL) and the CCD holders have entered into an agreement whereby EPDPL will buy out the CCD's for an agreed consideration. According to the terms of the SPA, the purchase of the CCDs was to be completed by 31 March 2021 (Closing date). However, the CCD holders served an NOC towards the Demerger Scheme of EPDPL and Nam Estates Private Limited, whereby it is stated that the Closing date or the Long stop date shall stand extended to 31 August 2021.

Consequent to the Long Stop Date, the CCD holders have intimated the management of the subsidiary company proposing a further extension of the "Closing date" and a revision of the previously agreed consideration. The Closing date is proposed to be extended up to 31 March 2022 and the consideration is under the process of negotiation between the Parties to the SPA.

B 5% fully and compulsorily convertible debentures (CCDs) (continued)

The interest on 5% fully and compulsorily convertible debentures of INR 10 each is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date. The Management believes that there will not be any availability of distributable cash flow as the projects are yet to commence and hence the interest accrued till date on the same has been classified under "Other current financial liabilities".

Name of debenture holder	As at March 31, 2021	
	No. of debentures	Amount (in millions)
Pollhater Investments Limited	27,79,20,741	2,779.21
HDFC Ventures Trustee Company Limited on behalf of HDFC Investment Trust	2,34,33,452	234.33

Note 3: Terms and conditions for issue of Non-Convertible Debentures**A 14.5% fully and Non Convertible Debentures (NCDs)**

During the year ended March 31, 2021, the Group has issued 1130 secured, unrated, redeemable, unlisted, non-convertible debentures of nominal value of Rs. 10,00,000 each on a private placement basis to Asia Real Estate Capital with Interest rate of 14.5% pa. and the same is secured by way of second charge. Receipts utilised to repay Piramal Capital & Housing Finance Limited (Piramal) loan.

1. Charge by way of mortgage of the Project (Land along with all structure standing thereon)
2. Charge by way of hypothecation in developer's share of Projects receivables.
3. Escrow of developer's share of receivables from the Project.
4. Demand Promissory Note

Note 4 : Terms and conditions for Term Loans**A Indiabulls Housing Finance Limited - balance as at 31 March 2021, including current maturities of long-term debt: ₹ 8,393.62 millions (31 March 2020: ₹. Nil).**

1. POA in relation to Pledge of 6,30,95,240 shares of Indiabulls Real Estate Limited shares
2. POA in relation Surplus enforcement proceeds with respect to the 9,12,94,500 units of embassy office parks REIT held by its erstwhile holding company ('Embassy Property Developments Private Limited')
3. Hypothecation of Surplus enforcement proceeds with respect to the 9,12,94,570 units of embassy office parks REIT held by its erstwhile holding company ('Embassy Property Developments Private Limited' or 'EPDPL')
4. Registered equitable mortgage on various land parcels and rights in land held by EPDPL and other group companies.
5. Hypothecation of receivables from sale/lease/transfer/construction of all mortgaged properties.
6. POA in relation to the pledge of Shares of Embassy Constructions Private Limited held by J V Holdings Private Limited and a Director of the Embassy Property Developments Private Limited.

The term loan is repayable in quarterly instalments from August 2023 to February 2025. The loan carries an interest rate of 14.25% p.a. (March 31, 2020: nil).

B HDFC Limited - balance as at 31 March 2021, including current maturities of long-term debt: ₹ 4,250.00 millions.

The Group has availed a term loan of Rs. 4,250.00 millions from a financial institution for the purpose of working capital. The loan is repayable in one bullet payment of Rs. 4,250.00 millions at the end of 75th month from the date of first disbursement. The interest rate is 11.50% per annum.

The loan is secured against undivided share of land at Rachenahalli Village, Krishnarajapuram Hobli, Bangalore East Taluk and building constructed or to be constructed thereon, belonging to a group Group. An exclusive charge on the scheduled receivables (receivables or cash flows or revenues including booking amounts arising out of or in connection with or relating to above the projects.

Any other security of similar or higher value acceptable to the financial institution) of sold and unsold units under the documents entered into with the customers of the projects to be financed, all insurance proceeds, both present and future, corporate guarantee from the holding Group and personal guarantee of the promoter. The loan outstanding as on March 31, 2021 is Rs. 4,250.00 millions.

C HDFC Limited - balance as at 31 March 2021, including current maturities of long-term debt: ₹ 3,499.95 millions

Tranche 1 Of ₹. 7,370.00 millions

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages
- 2 An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.
- 3 Personal guarantee of director of Embassy Property Developments Private Limited.

Repayment and interest terms	As at March 31, 2021
Repayable in 60 months and to be settled by June 2021. The loan carries an interest rate of 11.70% p.a linked to HDFC corporate prime lending rate. With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%	3,269.95
The Group shall maintain an escrow account and a designated account in HDFC Limited or any other bank acceptable to HDFC Limited. All collections related to plot purchases are to be routed through this escrow account.	

The Group has applied and received moratorium towards Interest and Principal amount for both the loans as per RBI notification for the month of March 2020 till August 2020.

As per the terms of loan agreement, out of the total outstanding amount as at March 2021, the Group had to repay ₹ 1,500.00 millions during the period January 2021 to March 2021. Subsequently, the Group had repaid the entire loan.

Tranche 2 of ₹ 2,300.00 millions

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages
- 2 An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.
- 3 Personal guarantee of director of the Embassy Property Developments Private Limited.

C HDFC Limited (continued)

Repayment and interest terms	As at March 31, 2021
Repayable in one instalment by December 2020. The loan carries an interest rate of 11.80% p.a linked to HDFC corporate prime lending rate.	230.00
With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%	
The Group had applied and received moratorium towards Interest and Principal amount for the loan as per RBI notification for the period of March 2020 till August 2020. Subsequently, the Group had repaid the entire loan.	

Note 4 : Terms and conditions for Vehicle loans from Banks and Financial Institutions

A Vehicle Loans from HDFC Bank- amounting to: ₹ 16.35 million - including current maturities of non-current borrowings

- (i) Secured by hypothecation of motor vehicles.
- (ii) These loans carry an interest rate of 7.75% to 8.50%.
- (iii) The principal amount has to be repaid in 60 equated monthly instalments.

B Vehicle Loans from Kotak Mahindra Prime Limited - amounting to: ₹ 30.02 millions - including current maturities of non-current borrowings

- (i) Secured by hypothecation of motor vehicles.
- (ii) These loans carry an interest rate of 8.13% to 8.30%.
- (iii) The principal amount has to be repaid in 60 equated monthly instalments.

25 Other financial liabilities

Particulars	As at March 31, 2021
Retention money towards project cost	405.96
Amount payable to association	66.03
	471.99

26 Provisions

Particulars	As at March 31, 2021
Provision for employee benefits	22.05
	22.05

27 Other non current liabilities

Particulars	As at March 31, 2021
Deferred revenue/guarantee income	0.66
	0.66

The Holding Company had provided its land as security for a loan taken by its erstwhile holding company, Embassy Property Developments Private Limited. However, the said loan is demerged to the Company vide the Scheme of Arrangement (refer note 42) and consequently the guarantee stands absolved.

28 Current borrowings

Particulars	As at March 31, 2021
Unsecured	
Intercompany deposit	
-from related parties (refer note 1 below)*	1,076.40
Other loans	
- to banks (refer note 2 below)	18,426.12
	19,502.52

* Refer Note 41 for details of balances with related party

Note 1: Intercompany deposit

The loans from related parties carry nil rate of interest which are repayable on demand

Note 2: Terms and conditions for Other Loans

The Group has availed a revised loan facility of ₹ 24,000.00 millions from a financial institution. Tranche 1 of the loan amounting to ₹ 12,000.00 millions is repayable within 78 months from the first drawdown date of Tranche 1 disbursement. Tranche 2 of the loan amounting to ₹ 3,000.0 millions is repayable within 78 months from the first drawdown date of Tranche 1 disbursement. Tranche 3 of the loan amounting to ₹ 3,000.00 millions is repayable within 78 months from the first drawdown date of Tranche 1 disbursement. Tranche 4 of the loan amounting to ₹ 6,000.0 millions is repayable within 78 months from the first drawdown date of Tranche 1 disbursement. The final repayment month is April 2021. The loan carries an interest rate linked to the lender's CPLR (Corporate Prime Lending rate) with a negative spread. The loan is secured against mortgage of developer's share of an identified project in Bangalore, mortgage of developer's share of unsold units along with undivided share of land and construction thereon in 5 projects located in Bangalore along with receivables from the above projects, charge on Group LLP's share of sale receivables of the 56 units of the a project and personal guarantee of a Director. The outstanding amount as at March 31, 2021 is ₹ 13,318.50 millions .

The Group has availed a revised loan facility of ₹ 6,000.0 millions from a financial institution. Tranche 1 of the loan amounting to ₹ 5,000.00 millions and Tranche 2 of the loan amounting to ₹ 1,000.00 millions is to be repaid in a single bullet payment at the end of 60th month from the date of first disbursement ie. August 2023. The loan carries an interest rate linked to the lender's CPLR (Corporate Prime Lending rate) with a negative spread of 590 basis points payable on monthly basis. The loan is secured against mortgage of developer's share of an identified project in Bangalore, mortgage of developer's share of unsold units along with undivided share of land and construction thereon in 4 projects located in Bangalore along with receivables from the above projects, mortgage of land parcel of the project of a subsidiary and group company and personal guarantee of a Director. The outstanding amount as at March 31, 2021 is Rs 5,137.43 millions.

29 Trade payables

Particulars	As at March 31, 2021
Trade payables to MSME	327.70
Trade payables to other than MSME	1,983.23
	2,310.93

30 Other financial liabilities

Particulars	As at March 31, 2021
Current maturities of long-term debt (refer note 24)	
- of term loans	3,789.77
- of 5% compulsorily convertible debentures	11,632.15
Accrued payroll	2.76
Book overdraft	24.66
Interest accrued and due	
- on term loan from financial institution	722.85
Interest accrued but not due	
- on term loan from financial institution	487.25
- on debentures/others	1,359.71
Current account balance with partnership firm	1.69
Provision for onerous contracts	46.05
Lease Deposits	9.73
Provision for expenses	70.64
Payable for purchase of investment properties	21.95
Other payables	9,766.09
	27,935.30

31 Provisions

Particulars	As at March 31, 2021
Provision for employee benefits	1.99
Provision for current tax	0.25
	2.24

32 Other non-financial liabilities

Particulars	As at March 31, 2021
Advance received from customers	32.15
Deferred revenue	15,129.73
Statutory dues	159.87
Deferred guarantee income*	0.49
	15,322.24

* Refer Note 41 for details of balances with related party

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

33 Revenue from operations

Particulars	Year ended March 31, 2021
Proceeds from sale of land and properties under construction	2,457.70
Other operating income	22.35
Facility rental	23.16
	2,503.21

34 Other income

Particulars	Year ended March 31, 2021
Interest income	
- from banks	7.91
- from others	86.91
- from income tax	0.77
Fair value gain on financial instruments	216.27
Other non-operating income	
Guarantee fee income	0.59
Termination of guarantee income	18.00
Miscellaneous income	1.39
	331.84

35 Land, material and contract cost

Particulars	Year ended March 31, 2021
Land, material and contract cost	2,112.27
	2,112.27

36 Employee benefits expense

Particulars	Year ended March 31, 2021
Salaries, wages and other benefits	162.26
Contribution to provident and other funds	7.12
Gratuity expense	18.01
Staff welfare expenses	0.00
	187.39

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

37 Finance cost

Particulars	Year ended March 31, 2021
Interest expense	
- term loan	5,179.41
- debentures	150.68
- on others	40.76
Corporate guarantee fee	16.96
	5,387.81

38 Depreciation and amortization

Particulars	Year ended March 31, 2021
Depreciation of property, plant and equipment (refer note 4)	1.57
Amortisation of intangible asset (refer note 5)	0.95
Depreciation of investment property (refer note 6)	28.85
	31.37

39 Other expenses

Particulars	Year ended March 31, 2021
Brokerage and commission	66.37
Legal and professional fees	134.03
Provision for Onerous Contract	10.84
Advertisement expenses	9.24
Business promotion expenses	14.78
Marketing expenses	1.92
Rates and taxes	36.15
Rent	0.24
Software and internet usage charges	2.14
Franking charges	2.86
Foreign exchange loss,net	1.74
Repairs and maintenance	382.20
Travel and conveyance expenses	16.90
Transportation charges	0.04
Bank charges	0.69
Office maintenance	3.83
Interest on TDS/GST	0.80
Power & Fuel	17.58
Fair value gain or loss on financial instruments	6,670.85
Miscellaneous expenses	66.62
	7,439.82

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

40 Contingent liabilities, capital commitments and contingent assets(to the extent not provided for)

Particulars	Year ended March 31, 2021
Contingent liabilities*	
Outstanding dues to MSME (refer note b below)	-
Income tax matters (refer note c below)	-
Service tax matters	28.86
Others:	
The Group has given its leasehold land, i.e. investment property as an exclusive security for a loan taken by Embassy Property Developments Private Limited. (refer note (e) below)	4,715.80
Capital and other commitments	
Estimated specific committed cost towards its capital expenditure (net of advances) and not provided for	872.02
Commitment for joint development - refundable deposit	950.00
Stamp duty and registration charges for assets transferred under the Scheme of Arrangement (refer note (f) below)	-

Other disputes

The Group has several cases pending against it towards the title of land acquired by it. Management, based on legal advice obtained and also based on the court rulings (in favour of the Group), believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence no amounts has been quantified.

- (a) The Holding Company has investments of ₹ 22,503.15 million in subsidiaries, joint ventures and associates (as on standalone basis), which includes a sum of ₹ 7,014.94 millions, representing shares in Embassy East Business Parks Private Limited (previously known as Concord India Private Limited) ("EEBPPL"). The shares in EEBPPL has arisen under a scheme of demerger with Embassy Property Developments Private Limited approved by the Regional Director ("RD"), South East Region, on August 06, 2021.
A case has been filed by some parties against various respondents including EPDPL, claiming ownership to part of the shareholding. The Court has granted an interim stay to maintain the status quo pending further hearing in the case.
The Holding Company is of the view that the outcome of the case will not impact the shareholding of EEBPPL by the Holding Company or its valuation.
- (b) The Group has a system for maintenance of documents and other relevant information in respect of amounts due by it to parties who are registered as micro and small enterprises. As at 31 March 2021, the amounts due to micro and small enterprises is ₹ 327.70 million. As per the MSME Act 2006 Section 16, Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank. In this case, the management contends that the creditors has not raised any interest demand yet and the Group has not paid interest during the year, and hence the interest accrued under section 16 of the MSME Act is not provided for.
- (c) The Income Tax department has launched the proceedings u/s 276B against the Group and the principle officer of the group entity in respect of defaults in payment of Tax deducted at source. The Group is contesting the proceedings initiated before the Honourable High court of Karnataka. The quantification of financial default is not ascertainable pending final judgement at this point of time. Hence the amount couldn't be quantified at the balance sheet date and not provided for.
- (d) The Group had made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bangalore. The Group had made an advance payment of ₹ 1,217.49 millions in earlier years in accordance with the demand request raised by KIADB. The State government has issued a notification on 28 February 2018 declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of ₹ 728.78 millions on 13 January 2021 as final compensation to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Group. The Group has paid the said amount during the period ended 31 December 2021.
- (e) The Group has given its leasehold land, i.e. investment property as an exclusive security for a loan taken by Embassy Property Developments Private Limited - ₹ 4715.80 millions. The said loan for which security is provided has been closed as on the reporting date.
- (f) The Group is the process of transferring title of the assets and liabilities under the scheme of demerger as on the reporting date. The amount of charges to be paid has not yet been crystalised

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)
(all amounts in ₹ millions unless otherwise stated)

(i) **Names of related parties and description of relationship:**

Ultimate Holding company JV Holding Private Limited

Investment in partnership firm / consortium Embassy Investment MGT Services LLP

1. Enterprises owned or significantly influenced by individuals having substantial voting interest and their relatives	Udhyan Investments Private Limited Embassy Services Private Limited Embassy Property Developments Private Limited Lounge Hospitality LLP Paledium Security Services LLP Collaborative Workspace Consultants LLP Technique Control Facility Management Private Limited We Work India Management Private Limited OMR Investments LLP Embassy International Riding School Private Limited Embassy Interiors Private Limited Southern Paradise Stud and Development Farms Private Limited
2. Enterprises owned or significantly influenced by holding or ultimate holding company	Babblor Marketing Private Limited Bangalore Paints Private Limited Embassy Real Estate Developments and Services Private Limited
3. Key management personnel/Directors of holding company/Relatives of directors of holding company	Rajesh Ramchand Bajaj P.R. Ramakrishnan Narpat Singh Choraria Manisha Rajesh Bajaj Anmol Rajesh Bajaj Karan Virwani (w.e.f 18/12/2020) Aditya Virwani (w.e.f 18/12/2020)

Particulars	Year ended March 31, 2021
Proceeds from sale of plots	
Udhyaman Investments Private Limited	70.16
Manisha Rajesh Bajaj	52.00
Anmol Rajesh Bajaj	52.00
Rajesh Bajaj	16.64
Guarantee fee income	
Embassy Property Developments Private Limited	18.37
Brokerage income	
Narpat Singh Choraria	0.55
Interest Income	
Embassy Property Developments Private Limited	83.29
Facility rental	
Embassy International Riding School Private Limited	0.50
Other operating income	
Lounge Hospitality LLP	9.49
Legal and professional fees	
Lounge Hospitality LLP	41.42
Business promotion	
Lounge Hospitality LLP	10.85
JV Holdings Private Limited	4.78
Repairs and maintenance	
Embassy Services Private Limited	160.67
Embassy Interiors Private Limited	0.43
Lounge Hospitality LLP	32.92
Technique Control Facility Management Private Limited	1.91
Security charges	
Paledium Security Services LLP	2.07

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

(iii) Details of related party transactions during the year (continued)

Particulars		Year ended March 31, 2021
Project cost	Babbler Marketing Pvt Ltd	39.50
	Embassy Property Developments Private Limited	10.46
	Collaborative Workspace Consultants	2.07
Other reimbursements	Embassy Property Developments Private Limited	17.14
	We Work India Management Private Limited	0.02
	JV Holdings Private Limited	0.09
	Embassy Real Estate Developments Private Limited	7.50
Loan given/(repaid)	Embassy Property Developments Private Limited	127.70
	OMR Investments LLP	5.00
Loan taken	Embassy Property Developments Private Limited	106.93
	Udhyaman Investments Private Limited	913.83
Issue of debentures	OMR Investments LLP	1,789.91
Advance paid for land acquisition	Embassy Property Developments Private Limited	4,109.45
Receipt of rights in apartments	OMR Investments LLP	1,682.90
Corporate Guarantee Received	Embassy Property Developments Private Limited	4250.00

(iv) Amount outstanding as at the balance sheet date :

Particulars		As at March 31, 2021
Other non-current assets - Capital advances others	Babbler Marketing Private Limited	44.66
Other non-current assets - Capital advances - Advances paid for purchase of land	Embassy Property Developments Private Limited	4109.45
Trade receivables	Udhyaman Investments Private Limited	14.51
	Lounge Hospitality LLP	11.05
	Embassy International Riding School Private Limited	2.25
Current Loans - Inter corporate deposit	OMR Investments LLP	5.00
	Embassy Buildcon LLP	19.40
	Udhyaman Investments Private Limited	1,000.00
Current Other financial assets - Interest accrued and not due	Embassy Property Developments Private Limited	77.04
Other receivable from related parties - current	OMR Investments LLP	119.63
Current Other financial assets - Receivable on account of slump sale	Embassy International Riding School Private Limited	303.45
Other current assets - Advance for supply of goods and rendering of services	Babbler Marketing Private Limited	14.02
	We Work India Management Private Limited	0.02
	Bangalore Paints Private Limited	25.73
Non current Borrowings - Liability component of Optionally convertible debentures	Embassy Property Developments Private Limited	2,783.73
Other financial liabilities - Retention money towards project cost	Babbler Marketing Private Limited	7.80
	Bangalore Paints Private Limited	3.10
Current Borrowings	Udhyaman Investments Private Limited	969.47
	Embassy Property Developments Private Limited	106.93

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

(iv) Amount outstanding as at the balance sheet date (continued):

Particulars		As at March 31, 2021
Trade payables	Synergy Property Development Services Private Limited	16.09
	Embassy Services Private Limited	450.05
	Lounge Hospitality LLP	5.88
	JV Holdings Private Limited	1.29
	Embassy Property Developments Private Limited	142.74
	Babbler Marketing Private Limited	41.71
	Bangalore Paints Private Limited	16.74
	Paledium Security Services LLP	0.34
	Embassy Interiors Private Limited	4.19
	Nam Estates Private Limited	1.00
	Udhyaman Investments Private Limited	0.57
	Southern Paradise Stud and Development Farms Private Limited	2.01
	Technique Control Facility Management Private Limited	2.10
Other financial liabilities - Payable for purchase of Investment Property	Babbler Marketing Private Limited	0.79
	Bangalore Paints Private Limited	0.09
	Embassy Interiors Private Limited	2.39
	Paledium Security Services LLP	0.11
Other financial liabilities - Other payable	Embassy Property Developments Private Limited	9,766.29
Other non-financial liabilities - Advance received from customers	Rajesh Bajaj	0.27
	Anmol Rajesh Bajaj	0.77
Details of outstanding security received	Embassy Property Developments Private Limited	Loan outstanding Rs. 4250.00 millions
Details of Outstanding security received (refer note below)	Embassy Property Developments Private Limited	Loan outstanding Rs 8,393.62 millions

As part of Scheme of Arrangement, the loan from Indiabulls Housing Finance Limited has been demerged from Embassy Property Developments Private Limited ('EPDPL'). The loan has been secured against certain assets held by the Company, EPDPL and subsequently held by Embassy East Business Park Private Limited. Guarantee expense for the security provided has not been provided as on March 31, 2021 as the obligation under the loan of the Company ceases as 21 July, 2021 by virtue of Novation Agreement entered into between EPDPL and Embassy East Business Park Private Limited.

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42 Scheme of Arrangement with Embassy Property Developments Private Limited

The Regional Director ("RD"), South East Region, on August 04, 2021, approved the Scheme of Arrangement amongst the Holding Company and Embassy Property Developments Private Limited (EPDPL) and their respective shareholders and creditors ("the Scheme") for the demerger of the identified residential / commercial projects and investments of EPDPL ("Demerged Undertaking"), either held directly or as investments in subsidiaries of EPDPL. The Scheme became effective from the appointed date April 1, 2020 upon filing of the certified copies of the RD Orders with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the specified undertaking as defined under the Scheme, is demerged from EPDPL and transferred to and vested in the Holding Company with effect from April 1, 2020 i.e. the Appointed Date. As a consideration for the demerger, all the shareholders of the Demerged Holding Company (EPDPL) are allotted 41 fully paid-up equity share of Rs. 10 each in the Holding Company, for every 100 fully paid-up equity share of ₹ 10 each held by them in EPDPL.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no. 09/2019 dated August 21, 2019 (MCA Circular), the Holding Company has recognised the effect of the demerger on April 1, 2020 and accounted the assets and liabilities taken over at fair value in accordance with Ind AS 103 Business Combination. The difference in the fair value of the net assets of the specified undertaking demerged as at April 1, 2020 and the consideration issued, is recognised as capital reserve. Any inter-Holding Company balances between the EPDPL and the Holding Company relating to Demerged Undertaking, if any, in the books of the Holding Company shall stand cancelled.

The Holding Company is in the process of transferring title of the assets and liabilities under the scheme of demerger as on the reporting date. Due to the above demerger the comparable (March 31, 2020) is not comparable.

The summary of effect of the demerger is as under:

Particulars	Carrying Value of the Assets and Liabilities in books of EPDPL	Fair Value of the Assets and Liabilities as on appointed date
Assets transferred and vested on demerger		
- Investment properties	688.78	686.54
- Investments in subsidiaries, joint venture and associates	12,850.86	23,352.63
- Investment in Others	8,650.20	2,577.54
- Inventories	26,775.29	26,238.33
- Advance towards joint development projects (reflected under investment property under development to the extent in excess of any refundable amounts)	3,966.01	9,294.93
- Other Assets	6,017.57	5,873.58
	<u>58,948.70</u>	<u>68,023.55</u>
Less: Liabilities transferred and vested on demerger		
- Borrowings	(33,819.92)	(33,819.92)
- Deferred revenue / provision for onerous losses	(18,912.31)	(18,912.31)
- Other current liabilities	(2,213.72)	(2,958.75)
	<u>(54,945.95)</u>	<u>(55,690.98)</u>
Net assets transferred and vested on demerger (a)		<u>12,332.57</u>
Face value of fully paid-up equity shares issued to the shareholders of demerged company (b)		<u>3,997.41</u>
Net amount adjusted against the capital reserve (a) - (b)		<u>8,335.16</u>

The Holding Company has recognised deferred tax liability of ₹ 5,281.14 millions arising on account of acquisition of the de-merged undertaking and it has been adjusted against capital reserve of ₹ 8,335.16 millions.

43 Acquisition-related costs

The Group has incurred ₹ 49.42 millions towards various professionals for finalising the Demerger scheme as stipulated in note 42 and other restructuring activities. In accordance with Ind AS 103 and other relevant accounting standards, the costs incurred have been charged to Statement of Profit and Loss in the year of incurring the same. The same is reflected in note 39 under the head "Legal and Professional Charge"

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

44 Note on Security provided by the Group to another Company

On 6th July 2018, the Group has provided leasehold land of 60 acres held by the Group as a security for loan taken by a Private Limited Company in which a director of the holding company is interested. As per the requirement of Section 185 of the Companies Act, 2013, no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a Director is interested without passing a special resolution prior to providing the loan, security and guarantee. Accordingly the aforesaid guarantee given by the Group is not in compliance with the requirement of the Act. However, the above loan has been repaid before balance sheet signing date.

45 Investment in subsidiaries, joint ventures and associates

a) Investment in subsidiaries (Entities in which control exists)

Particulars	Country of incorporation	Percentage of holding As at March 31, 2021
Embassy Infra Developers Private Limited	India	99.99%
Embassy Orange Developers Private Limited	India	99.99%
Embassy Realty Ventures Private Limited	India	99.99%
Embassy One Commercial Property Developments Private Limited (refer note below)	India	99.99%
Summit Developments Private Limited (refer note below)	India	99.00%
Embassy East Business Parks Private Limited (refer note below)	India	51.00%
RGE Constructions and Developments Private Limited (refer note below)	India	77.72%
Saphire Realtors Private Limited	India	99.00%
Grove Ventures (Investment in Partnership Firm) (refer note below)	India	99.00%

Note : The Investments in the said entities are held by the Holding Company with effect from April 01, 2020 demerged to the Holding Company under the Scheme of Arrangement entered with Embassy Property Developments Private Limited.

b) Investment in joint ventures

Particulars	Country of incorporation
Embassy Investment MGT Services LLP	India

c) Particulars of partners of the partnership firm, capital contribution and the profit sharing ratio are as follows :

Particulars	Name of Partners	Share of Profit	Capital
Embassy Investment MGT Services LLP	NAM Estates Private Limited	99%	0.00
	Aditya Virwani	1%	0.00
Grove Ventures	NAM Estates Private Limited	99%	99.00
	Embassy International Riding School Private Limited (erstwhile known as Embassy Projects Private Limited)	1%	1.00

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Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

d) Analysis of Net assets i.e total assets minus total liabilities

Particulars	Percentage	Amount
NAM Estates Private Limited	16.29%	2,120.31
Embassy Infra Developers Private Limited	13.75%	1,789.81
Embassy Orange Developers Private Limited	-0.43%	(56.20)
Embassy Realty Ventures Private Limited	0.15%	19.50
Embassy One Commercial Property Developments Private Limited	0.00%	(0.22)
Summit Developments Private Limited	-80.63%	(10,497.02)
Embassy East Business Parks Private Limited	-0.66%	(86.11)
RGE Constructions and Developments Private Limited	-7.71%	(1,003.89)
Saphire Realtors Private Limited	2.91%	379.27
Grove Ventures (Investment in Partnership Firm)	0.77%	100.42
Impact on net assets due to fair valuation on business combination	155.56%	20,253.38
Inter - Company eliminations	0.00%	0.03
	100.00%	13,019.29

e) Profit/(loss) for the year, net of tax

Particulars	Percentage	Amount
NAM Estates Private Limited	32.21%	(3,610.92)
Embassy Infra Developers Private Limited	0.00%	(0.19)
Embassy Orange Developers Private Limited	1.31%	(147.17)
Embassy Realty Ventures Private Limited	0.00%	(0.09)
Embassy One Commercial Property Developments Private Limited	0.00%	(0.08)
Summit Developments Private Limited	60.97%	(6,833.80)
Embassy East Business Parks Private Limited	0.15%	(16.26)
RGE Constructions and Developments Private Limited	2.49%	(279.11)
Saphire Realtors Private Limited	0.01%	(0.77)
Grove Ventures (Investment in Partnership Firm)	0.00%	0.42
Impact on net assets due to fair valuation	2.87%	(321.25)
Inter - Company eliminations	0.00%	0.03
	100.00%	(11,209.19)

f) Total comprehensive income for the year, net of tax attributable

Particulars	Percentage	Amount
NAM Estates Private Limited	100.00%	2,252.15
	100.00%	2,252.15

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the Holding Company, and its subsidiaries, are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Notes to special purpose consolidated financial statements for the year ended March 31, 2021 (continued)
(all amounts in ₹ millions unless otherwise stated)

46 Earnings/ (loss) per share

Basic earnings/(loss) per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the number of equity shares outstanding during the year. Diluted Earnings per share ("EPS") amounts are calculated by dividing the profit/(loss) attributable to equity holders

i. Reconciliation of earnings used in calculating earnings per share:

Particulars	Year ended March 31, 2021
Total profit/(loss) for the year attributable to equity shareholders of the holding company as per statement of profit and loss	(11,072.16)
	(11,072.16)

ii. Reconciliation of basic and diluted shares used in computing earnings per share

Particulars	Year ended March 31, 2021
Number of equity shares at the	70,002
Add:	
Number of equity shares issued during the year	39,97,41,389
Number of equity shares for basic and diluted EPS	39,98,11,391

iii.(Loss) per share:

Particulars	Year ended March 31, 2021
Basic	(27.69)
Diluted	(27.69)

For the year ended 31 March 2021, optionally convertible debentures were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

for N S V M & Associates

Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D N Sree Hari
Partner
Membership No. 027388

Place: Bengaluru
Date : March 14, 2022

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date : March 14, 2022

Rajesh Bajaj
Director
DIN: 00738227

Place: Bengaluru
Date : March 14, 2022

INDEPENDENT AUDITORS' REPORT

To the Members of **NAM Estates Private Limited**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of NAM Estates Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st 2021 and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As stated in note 36 to the financial statements, the Company has extended its land as security for a loan taken by its Holding Company in which, a director is interested.

As per the requirement of Section 185 of the Companies Act, 2013 ('Act'), no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested without complying with the provisions as laid down in the said section of the Act. Accordingly, security provided is not in compliance with the requirements of the Act. The impact of this non-compliance has not been quantified by the Company.

During the year, the Company has passed a special resolution approving the continuity of extension of security for the charge created for loan obtained by Holding Company. Further, the Company has filed an application seeking compounding of offence under Section 441 of the Companies Act, 2013 for violation of section 185 of the said Act.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the

Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. except for the matters described in the basis of qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. except for the possible effects of the matters described in the basis of qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d. In our opinion, except for the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. In our opinion the matters described in the basis of qualified opinion paragraphs above, may have an adverse effect on the functioning of the Company.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as disclosed in note 28 to the financial statements. The Company has cases pending against it towards the title of land acquired by it. The Management, based on legal advice, believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence the amount has not been quantified.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

D.N Sree Hari

Partner

Membership No: 027388

Place: Bengaluru

Date: 27 July, 2021

UDIN: 21027388AAAABQ5195

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report to the Members of **Nam Estates Private Limited** ('the Company') for the year ended 31 March 2021,

We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties.
 - (b) The Company has a regular program of verification of its property, plant and equipment and investment properties which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and subject to the matters mentioned in Note 19, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is engaged in the business of real estate development and related services and holds inventories in the form of land, properties under development and constructed properties. The management has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed during the such physical verification.
- (iii) The Company has granted deposit to companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the terms and conditions of the deposit granted by the Company to the company covered in the register maintained under section 189 of the Companies Act, 2013 are not prejudicial to the interest of the Company. The details have been disclosed below.
 - (b) In the case of the loans granted to the company listed in the register under Sec 189 of the Act, the stipulation as to repayment of principle and interest is as specified below.
 - (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days. The deposit granted is repayable on demand, and as on balance sheet date no amount has been demanded.

Name of the company	Amount advanced during the year (Rs. In thousand)	Amount as at 31 March 2021 (Rs. In thousand)	Terms
Embassy Property Developments Private Limited (Holding Company holding 100% equity shares)	20,20,466.00	13,72,635.92	Interest free Inter Corporate Deposit (loan) repayable on demand

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, deposit and investments made, except as disclosed below:

The Company has extended its land as security for a loan taken by its Holding Company in which, a director is interested.

As per the requirement of Section 185 of the Companies Act, 2013 ('Act'), no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested without complying with the provisions as laid down in the said section of the Act. Accordingly, the aforementioned loan given and security provided is not in compliance with the requirements of the Act. The impact of this non-compliance has not been quantified by the Company.

During the year, the Company has passed a special resolution approving the continuity of extension of security for the charge created for loan obtained by Holding Company. Further, the Company has filed an application seeking compounding of offence under Section 441 of the Companies Act, 2013 for violation of section 185 of the said Act.

- (v) The Company has not accepted any deposits from public within the meaning of the directives issued by Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Goods & Service Tax, Provident Fund and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company does not have any dues on account of Employee State Insurance', Duty of Customs and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Goods & Service Tax, Provident Fund and other statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, VAT, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bankers or financial institutions other than detailed below. The Company did not have any outstanding dues to debenture holders or government during the year.

Particulars	Amount of Default (INR)	Period of Default	Remarks
Principal Amount	₹ 50,00,00,000	1 day default as on Balance sheet date	Subsequently repaid
Principal Amount	₹ 50,00,00,000	31 days default as on Balance sheet date	Subsequently repaid
Principal Amount	₹ 50,00,00,000	60 days default as on Balance sheet date	Subsequently repaid

Based on RBI notification dated 23rd March 2020, the Company has applied for moratorium towards interest and principal repayments falling due for the month of March 2020. The said application was approved and the relief in payment of Interest and principal amount was approved for the Moratorium period ended on 31 May, 2020. Further, based on RBI's subsequent notification dated 23 May, 2020 the moratorium was extended till 31 Aug 2020.

(ix) According to the information and explanations given to us, the Company has not raised any money by way of public issue or further public offer (including debt instruments) during the year

(x) According to the information and explanations given to us, no material fraud on the Company by its officers or employees or a fraud by the Company has been noticed or reported during the course of our audit.

- (xi) The Company is a private limited company. Thus, paragraph 3(xi) of the Order relating to provisions of Section 197 is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Thus, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us the Company is not required to constitute an Audit Committee in accordance with Section 177. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placements of shares during the year. In respect of debentures, the requirement of Section 42 and section 62 (1)(c) of Companies Act 2013 has been complied by the Company and the money raised has been utilized for the stated purpose.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 21027388AAAABQ5195

Place: Bengaluru

Date: 27 July, 2021

Annexure – B to the Independent auditor’s report of even date on the financial statements of NAM Estates Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Qualified Opinion

We have audited the internal financial controls over financial reporting of NAM Estates Private Limited (“the Company”) as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion and according to the information and explanation given to us and based on our audit, the following material weakness have been identified as at March 31, 2021

The company did not have adequate internal control system to ensure compliance with respect to the legal and regulatory framework applicable to the company, which has resulted in the non-compliance as stated in Basis of qualified opinion paragraph of our audit report. However, the Company has undertaken remedial actions towards rectification of the non-compliance.

A ‘Material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is reasonable possibility that a material misstatement of the company’s annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial control were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India” These responsibilities include the design, implementation and maintenance of adequate internal financial

controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as the "Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for N S V M & Associates

Chartered Accountants

Firm Reg. No. 010072S

D N Sree Hari

Partner

Membership No. 027388

UDIN: 21027388AAAABQ5195

Place: Bengaluru

Date: 27th July , 2021

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Balance sheet

(all amounts in ₹. thousands unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	50,875.58	-
Investment property	5	1,61,876.77	1,61,876.77
Investment property under development	6	7,82,941.39	7,81,219.05
Financial assets			
Investments	7	20,348.48	-
Loans	8	1,987.42	11.00
Non-current tax assets (net)	9	46,074.91	32,616.80
Other non-current assets	10	1,38,084.32	1,37,584.32
Total non-current assets		12,02,188.87	11,13,307.94
Current assets			
Inventories	11	37,36,586.46	39,53,270.96
Financial assets			
Trade receivables	12	8,17,504.32	17,06,737.10
Cash and cash equivalents	13	2,32,025.17	31,198.72
Loans	14	13,77,133.07	-
Other financial assets	15	80,131.24	4,83,139.24
Other current assets	16	1,64,998.84	2,86,571.42
Total current assets		64,08,379.10	64,60,917.44
Total assets		76,10,567.98	75,74,225.38
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	700.02	700.02
Other equity	18	(40,60,138.86)	(35,73,054.36)
Total equity		(40,59,438.84)	(35,72,354.34)
Non-current liabilities			
Financial liabilities			
Borrowings	19	28,21,850.74	-
Other financial liabilities	20	57,132.69	59,968.24
Provisions	21	22,046.02	-
Other non current liabilities	22	6,436.67	11,854.78
Total non-current liabilities		29,07,466.12	71,823.02
Current liabilities			
Financial liabilities			
Borrowings	23	9,13,827.41	-
Trade Payables			
Dues to micro, small and medium enterprises	24	75,741.84	33,127.82
Dues to parties other than micro, small and medium enterprises	24	6,23,704.53	5,72,441.36
Other financial liabilities	25	37,42,324.34	67,67,883.90
Provisions	26	1,985.30	-
Other current liabilities	27	34,04,957.28	37,01,303.62
Total current liabilities		87,62,540.70	1,10,74,756.70
Total liabilities		1,16,70,006.82	1,11,46,579.72
Total equity and liabilities		76,10,567.98	75,74,225.38

Significant accounting policies

3

The notes referred to above form an integral part of these financial statements

As per our report of even date attached

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Nam Estates Private Limited

D N Sree Hari

Partner

Membership No. 027388

Place: Bengaluru

Date: 27th July 2021

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 27th July 2021

Rajesh Bajaj

Director

DIN: 00738227

Place: Bengaluru

Date: 27th July 2021

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Statement of profit and loss

(all amounts in ₹. thousands unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	28	5,90,866.45	4,36,232.18
Other income	29	3,06,773.37	12,300.77
Total income		8,97,639.82	4,48,532.95
Expenses			
Land, material and contract cost	30	2,79,606.53	1,92,875.90
Employee benefit expense	31	1,49,089.26	-
Other expenses	34	2,30,774.35	3,59,064.37
		6,59,470.14	5,51,940.27
Earnings before finance costs, depreciation, amortization and tax		2,38,169.68	(1,03,407.33)
Finance costs	32	7,33,754.07	65,829.12
Depreciation and amortization	33	1,215.58	-
Profit/(loss) before tax		(4,96,799.97)	(1,69,236.45)
Tax expense:			
Current tax	37	-	-
Tax adjustments relating to previous year	37	(9,715.47)	-
Deferred tax	37	-	-
Profit/ (loss) for the year		(4,87,084.50)	(1,69,236.45)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit(liability)/asset		-	-
Income tax relating to items that will not be reclassified subsequent to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/ (loss) for the year		(4,87,084.50)	(1,69,236.45)
Earnings per equity share:			
Equity shares of par value of ₹ 10 each			
Basic (₹ per share)	38	(6,958.15)	(2,417.59)
Diluted (₹ per share)	38	(6,958.15)	(2,417.59)

Significant accounting policies

3

The notes referred to above form an integral part of these financial statements
As per our report of even date attached

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DIN: 00738227

Place: Bengaluru

Date: 27th July 2021

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Statement of changes in equity

(all amounts in ₹. thousands unless otherwise stated)

A. Equity share capital

Particulars	
Equity shares of Rs. 10 each issued, subscribed and fully paid	
Balance as at April 1, 2019	700.02
Add: issued during the year	-
Balance as at the March 31, 2020	700.02
Balance as at 1 April 2020	700.02
Add: issued during the year	-
Balance as at March 31, 2021	700.02
Refer Note 17	

B. Other equity

Particulars	Reserves and surplus		Other equity	Total other equity
	Capital reserve*	Retained earnings		
Balance as at April 1, 2019	(6,52,223.80)	(24,58,122.99)	(2,64,674.11)	(33,75,020.90)
Transactions recorded directly in equity				
- equity portion of corporate guarantee	-	-	(28,797.01)	(28,797.01)
Loss for the year	-	(1,69,236.45)	-	(1,69,236.45)
Balance as at March 31, 2020	(6,52,223.80)	(26,27,359.44)	(2,93,471.12)	(35,73,054.36)
Balance as at April 1, 2020	(6,52,223.80)	(26,27,359.44)	(2,93,471.12)	(35,73,054.36)
Loss for the year	-	(4,87,084.50)	-	(4,87,084.50)
Balance as at March 31, 2021	(6,52,223.80)	(31,14,443.94)	(2,93,471.12)	(40,60,138.86)
Refer note 18				

* On March 19, 2015, the Board of directors of the Company passed a resolution to merge into the Company, Swire Investments Private Limited ('SIPL'), its wholly-owned subsidiary. Pursuant to this, on July 14, 2015, the Company filed a Scheme of Amalgamation ('the Scheme') with the Honourable High Court of Karnataka, with an appointed date of April 1, 2015. The scheme was approved by the Honourable High Court on August 29, 2017 effective April 1, 2015 and hence the merger has been effected as on April 1, 2015 during the financial year 2016-17.

As per the aforementioned scheme, the assets and liabilities of SIPL have been merged with the Company. Given that SIPL is a wholly-owned subsidiary of the Company there is no consideration payable for the amalgamation of SIPL with the Company and the consequent transfer of the undertaking, properties, assets and liabilities of SIPL to the Company. The difference of the value of the assets over the liabilities of SIPL vested in the Company has been accounted as capital reserves in the Company.

Significant accounting policies

The notes referred to above form an integral part of these financial statements
As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D N Sree Hari
Partner
Membership No. 027388

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Date: 27th July 2021

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: 27th July 2021

Rajesh Bajaj
Director
DIN: 00738227

Place: Bengaluru
Date: 27th July 2021

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Statement of cash flows
(all amounts in ₹. thousands unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Profit / (loss) before tax	(4,96,799.97)	(1,69,236.45)
Adjustments for:		
Non cash and other adjustments:		
Fair value gain on financial instruments	(2,16,270.00)	-
Finance costs	7,33,754.07	65,829.12
Interest income	(83,285.86)	(1,499.97)
Depreciation and amortization	1,215.58	-
Guarantee income	(6,141.43)	(10,800.80)
Amount written back	(642.64)	-
Provision for expenses	41,853.51	28,755.99
Provision for onerous contract	4,253.79	27,293.00
Operating cash flow before working capital changes	(22,062.94)	(59,659.11)
Working capital adjustments		
(Increase) / decrease in inventories*	2,16,684.50	(4,22,609.92)
(Increase) / decrease in non - current and current loans	(6,473.57)	4,43,028.53
(Increase) / decrease in Other non - current and current financial assets	4,80,047.41	23,102.13
(Increase) / decrease in current assets and non current assets	1,21,572.58	50,730.74
(Increase) / decrease in trade receivables	8,89,232.78	(4,32,021.43)
Increase / (decrease) in other non-financial liabilities	(2,95,623.00)	2,58,359.73
Increase / (decrease) in trade payables	94,519.82	1,54,773.07
Increase / (decrease) in other non-current and current financial liabilities	(4,07,797.51)	3,92,444.79
Increase / (decrease) in provisions	24,031.32	-
Cash generated from operating activities before taxes	10,94,131.38	4,08,148.54
Income taxes paid(net of refund)	2,503.81	(2,645.62)
Net cash generated from operating activities	10,96,635.18	4,05,502.92
Cash flow from investing activities:		
Interest income	-	1,661.34
Inter corporate deposit given	(13,72,635.92)	-
Investment in subsidiaries, associates, firms and joint ventures	(20,348.48)	-
Payment for purchase of property plant and equipment	(54,313.50)	(59,461.99)
Net cash (used in) investing activities	(14,47,297.90)	(57,800.65)
Cash flow from financing activities:		
Proceeds from borrowings	41,59,640.28	-
Repayments of borrowings	(27,99,492.69)	(3,81,481.94)
Finance costs paid	(8,08,658.42)	-
Net cash generated from / (used in) financing activities	5,51,489.17	(3,81,481.94)
Net increase / (decrease) in cash and cash equivalents	2,00,826.45	(33,779.68)
Cash and bank balances at the beginning of the year	31,198.72	64,978.40
Cash and cash equivalents at the end of the year	2,32,025.17	31,198.72
Components of cash and cash equivalents (refer note 13)		
Balances with banks		
- in current accounts	2,08,046.74	21,096.55
- in escrow account	23,978.43	10,102.17
Other bank balances		
- in fixed deposits	-	-
	2,32,025.17	31,198.72

Note 1 : Book overdraft are considered to be an integral part of the cash management system and are therefore taken into consideration for determining the net cash flows of the Company

Note 2: For the year ended 31 March 2020, the movement in Inventory includes cash flows arising from payment of interest cost which have been inventorised.

Note 3 : Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Significant accounting policies

3

The notes referred to above form an integral part of these financial statements
As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D N Sree Hari
Partner
Membership No. 027388
Place: Bengaluru
Date: 27th July 2021

P R Ramakrishnan
Director
DIN: 00055416
Place: Bengaluru
Date: 27th July 2021

Rajesh Bajaj
Director
DIN: 00738227
Place: Bengaluru
Date: 27th July 2021

1 Company overview

Nam Estates Private Limited ('the Company') was incorporated on June 02, 1995. The Company engaged in the business of real estate development of commercial, residential, hospitality, development of township and related activities.

2 Basis of preparation

2.01 Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, Companies (Indian Accounting Standards) Amendment Rules, 2018 and other relevant provisions of the Act.

The Company's financial statements have been prepared on a going concern basis. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on the market value of the underlying inventory and Investment Properties held by the Company.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

2.02 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded- off to the nearest thousand, unless otherwise indicated.

2.03 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain investments in equity instruments which is measured at fair value.

Items	Measurement basis
Certain financial assets and liabilities	Fair value

2.04 Use of estimates and judgements

The preparation of financial statements in conformity with Indian Accounting Standards("IND AS") requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Judgments

Information about judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- (i) Classification of assets as investment property or as property, plant and equipment.- refer note 3.16
- (ii) Determination of the amount and timing of revenue from contracts with customers - refer note 3.01
- (iii) Valuation of fair value of OCD - period taken until scheme approval

Assumptions and estimation and uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2021 or subsequent year/ years is included in the following notes:

- (i) Valuation of financial instruments - refer note 46
- (ii) Non-Recognition of deferred tax asset on carried forward losses and availability of future taxable profit against which tax losses carried forward can be used - refer note 37

2.05 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between marked participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the fair value measurement as a whole at the end of the reporting period.

2.06 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when it is:

- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3 Significant accounting policies

3.01 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Proceeds from sale of plotted development and constructed property

Revenue is recognized upon transfer of control of units of plots to customers and on completion of critical obligation as per the customer contract, in an amount that reflects the consideration the Company expects to receive in exchange for those units of plots. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of plotted development, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the units of plots for residential use which coincides with the execution of sale deed.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred unit of plots.

ii. Recognition of revenue from transfer of assignment rights

Revenue from transfer of assignment rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from transfer of assignment rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

iii. Guarantee Income

Financial guarantees issued by the company are recognised initially at fair value, and the financial guarantee is recognised in P&L over the tenure of the guarantee.

iv. Interest income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

v. Dividend income

Dividends is recognised when the share holder's or unit holder's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.02 Investment properties

i. Recognition and measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. The cost of the assets not ready for their intended use before such date, are disclosed as Investment property under development.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Investment properties are depreciated on straight-line method over their estimated useful lives. However, where the Management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and the cost of the investment property can be measured reliably.

iii. Depreciation

Based on an independent assessment, the management has estimated the useful lives of the following class of assets. Depreciation is provided on straight line method as per the following useful life of the assets estimated by the management:

Asset	Useful life
Building	5-60 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

iv. Derecognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

3.03 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation/impairment losses if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use is capitalised up to the date the assets are ready for commercial use.

Subsequent expenditure relating to an item of the asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other related expenses, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss (P&L) for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of the asset are measured as differences between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Depreciation

Based on an independent assessment, the management has estimated the useful lives of the following class of assets. Depreciation is provided on straight line method as per the following useful life of the assets:

Asset	Useful life
Motor Vehicles	8 years
Computers	3 years

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

3.04 Inventories

Related to real estate activities

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

i. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.

ii. Finished goods - Plots: Valued at lower of cost and net realisable value.

iii. Land inventory: Valued at lower of cost and net realisable value.

3.05 Impairment of assets

Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The Company tests for impairment using the ECL model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime ECL. Life time ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. For financial assets measured at amortised cost, ECL is presented as an allowance which reduces the net carrying amount of the financial asset.

3.06 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through profit or loss.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in P&L.
FVTPL	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.

FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instrument

A financial asset is primarily derecognised when:

- the rights to receive the cash flows from the asset have expired or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.07 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with borrowings of funds. Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

In case of extended periods during which activities necessary for bringing the asset ready for its intended use are not undertaken, the company suspends the capitalisation of borrowing cost to the asset.

3.08 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding book overdrafts that are repayable on demand are considered part of the Company's cash management system.

3.09 Cash flow statements

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.10 Foreign currency

i. Functional currency

The Company's financial statements are presented in INR, which is also the company's functional currency.

ii. Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.11 Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Notes to financial statements for the year ended March 31, 2021 (continued)

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in the OCI or in the equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

3.12 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

3.13 Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3.14 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

3.15 Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

3.16 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Classification of property

The Company determines whether a property is classified as investment property or inventory:

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Notes to financial statements for the year ended March 31, 2021 (continued)

The company is developing a township project containing various types of real estate development. Based on the intention of use, the land property and related development cost have been classified as either investment property, property plant & equipment or have been inventorised.

Investment property comprises land and buildings (principally offices, commercial and school property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented or intended to be rented to tenants and not intended to be sold in the ordinary course of business. Inventory property comprises of property that is held for sale in the ordinary course of business. Principally, this is residential property that the Company develops and intends to sell before or on completion of construction/development.

The Company based its assumptions and estimates on parameters available on the reporting period about future developments. The above judgements may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3.17 Earnings before finance costs, depreciation, amortisation and tax

The Company has elected to present earnings before finance cost, depreciation, amortisation and tax as a separate line item on the face of the Statement of Profit and Loss. The Company measures earnings before finance cost, depreciation, amortisation and tax on the basis of profit/ (loss) from continuing operations.

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Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

4 Property, plant and equipment

Reconciliation of carrying amount for the year ended 31 March 2021 and 31 March 2020

Particulars	Tangible, owned			Total
	Furniture and fixtures	Vehicles	Computers	
Gross Block (Cost or deemed cost)				
Balance as at April 1, 2019	3.80	-	-	3.80
Additions	-	-	-	-
Deletions	-	-	-	-
Balance as at March 31, 2020	3.80	-	-	3.80
Balance as at April 1, 2020	3.80	-	-	3.80
Additions	-	51,359.72	731.45	52,091.17
Deletions	-	-	-	-
Balance as at March 31, 2021	3.80	51,359.72	731.45	52,094.97
Accumulated depreciation				
Balance as at April 1, 2019	3.80	-	-	3.80
Charge for the year	-	-	-	-
Balance as at March 31, 2020	3.80	-	-	3.80
Balance as at April 1, 2020	3.80	-	-	3.80
Charge for the year	-	1,111.09	104.50	1,215.58
Balance as at March 31, 2021	3.80	1,111.09	104.50	1,219.38
Carrying amounts (net):				
Balance as at March 31, 2020	-	-	-	-
Balance as at March 31, 2021	-	50,248.63	626.95	50,875.58

Notes:

1) Refer note no 19 for information on the charge created

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Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

5 Investment property

Reconciliation of carrying amount for the year ended 31 March 2021 and 31 March 2020

Particulars	Freehold land	Total
Gross Block		
Balance as at 1 April 2019	1,72,031.91	1,72,031.91
Additions during the year	500.26	500.26
Disposal/Other Adjustments (refer note 1 below)	(10,655.40)	(10,655.40)
Balance as at 31 March 2020	1,61,876.77	1,61,876.77
Balance as at 1 April 2020	1,61,876.77	1,61,876.77
Additions during the year	-	-
Disposal/Other Adjustments	-	-
Balance as at 31 March 2021	1,61,876.77	1,61,876.77
Accumulated depreciation		
Balance as at 1 April 2019	-	-
Charge for the year	-	-
Balance as at 31 March 2020	-	-
Balance as at 1 April 2020	-	-
Charge for the year	-	-
Balance as at 31 March 2021	-	-
Carrying amounts (net):		
As at 31 March 2020	1,61,876.77	1,61,876.77
As at 31 March 2021	1,61,876.77	1,61,876.77
Fair values:		₹ in thousands
As at 31 March 2020		69,30,000
As at 31 March 2021		69,38,000

Notes

1) Investment property comprises of cost of freehold land. During the previous year, there is a change in value of Investment Property due to change in nature of holding from Investment property to Inventory.

(a) Amounts Recognised in Statement of Profit and Loss for Investment Property :

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rental income derived from investment properties	-	-
Less: Direct operating expenses from property generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	876.96	500.63
Profit/(loss) arising from investment properties before depreciation and indirect	(876.96)	(500.63)
Less: Depreciation	-	-
Loss Arising from Investment Properties before indirect expenses	(876.96)	(500.63)

Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

(b) Determination of Fair value

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The Company has used "Direct Comparison" method approach for assessing the fair value of the property as on 31 March 2021 and as on 31 March 2020.

The "Direct Comparison Approach" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable.

Para 97 of Ind AS 113 Fair value measurements states that for each class of assets and liabilities not measured at fair value in the balance sheet but for which the fair value is disclosed, an entity shall disclose the information required by paragraph 93(b), (d) and (i). However, the said para states that an entity is not required to provide the quantitative disclosures about significant unobservable inputs used in fair value measurements categorised within Level 3 of the fair value hierarchy required by paragraph 93(d). Therefore, no disclosure in relation to sensitivity analysis of significant unobservable inputs used in fair value measurements of Investment property and Investment property under development (including capital advances) has been provided in the financial statements.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

(c) Restriction on realisability

The above said property is placed as collateral security for the secured loan availed from the financial institution by the company. Further, it is placed as secondary collateral for the loan availed by its holding company.

Refer note numbers 19 and 42 for information on charge created .

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6 Investment property under development

Particulars	As at 31 March 2021	As at 31 March 2020
Investment property under development (refer note (i) below)	7,82,941.39	7,81,219.05
	7,82,941.39	7,81,219.05

i) Investment property under development comprises of infrastructure cost incurred for the development of property predominantly for the club house , school development and other commercial developments

7 Non current investments

Particulars	Face value per share	Numbers	As at 31 March 2021	As at 31 March 2020
Unquoted				
Investments in equity instruments;				
- in subsidiaries (refer note (a) below):				
Embassy Infra Developers Private Limited	10.00	9,999	99.99	-
Embassy Orange Developers Private Limited (refer note (b) below)	10.00	9,999	99.99	-
Embassy Realty Ventures Private Limited (refer note (c) below)	10.00	20,00,000	20,049.50	-
Investment in partnership firm / consortium				
Embassy Investment MGT Services LLP	-	-	99.00	-
			20,348.48	-

Aggregate amount of quoted investment

Aggregate amount of unquoted investments

Aggregate amount of impairment in value of investments

Investment carried at cost

Investment carried at amortised cost

Investment carried at Fair value through Other Comprehensive Income

Investment carried at Fair value through Statement of Profit & Loss

Investment in Partnership firms

Name of the Firm: Embassy Investment MGT Services LLP	Share of Profit/(loss) Financial Year 2020-21	Capital as on 31 March 2021
NAM Estates Private Limited -99% (31 March 2020: nil)	-	0.99
Aditya Virwani 1% (31 March 2020: nil)	-	0.01
	-	1.00

Note (a) : The Company has opted to account for investments in subsidiaries, associate and joint venture at cost as per Ind-AS 27 'Separate financial statements (refer note 51)

Note (b) : The Company has placed the shares held as security against loan taken by Embassy Orange Developers Private Limited

Note (c): 1 share in Embassy Realty Ventures Private Limited is held by one of the directors, the Company is the beneficial owner of the share.

8 Non-current loans

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Security deposits		
Others	11.00	11.00
Loans to employees	1,976.42	-
	1,987.42	11.00

9 Non-current tax assets (net)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax, net of provision for tax	46,074.91	32,616.80
	46,074.91	32,616.80

10 Other non-current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances:		
Advances paid for purchase of land	1,38,084.32	1,37,584.32
	1,38,084.32	1,37,584.32

11 Inventories (valued at lower of cost and net realizable value)

Particulars	As at 31 March 2021	As at 31 March 2020
Cost of land and infrastructure development	37,36,586.46	39,53,270.96
	37,36,586.46	39,53,270.96

The cost of inventory includes cost of land which has been pledged as a security for the secured loan availed by the company. Further, it is placed as secondary collateral for the loan availed by its holding company. (Refer Note 19 and 42)

12 Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured		
Considered good	8,17,504.32	17,06,737.10
Having significant increase in credit risk	-	-
Credit impaired	-	-
	8,17,504.32	17,06,737.10
Less:allowance for impairment loss	-	-
	8,17,504.32	17,06,737.10

Of the above trade receivables from related parties are as below:

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables considered good - unsecured (refer note 42)	14,514.40	7,60,480.48
Loss allowance	-	-
	14,514.40	7,60,480.48

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 48

13 Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	2,08,046.74	21,096.55
- in escrow account (Refer note (i) below)	23,978.43	10,102.17
	2,32,025.17	31,198.72

Note:

(i) ₹ 23,978.43 thousands March 31, 2020: ₹10,102.17 thousands) is held in escrow account with HDFC Bank Limited for repayment of term loans (Refer note 19)

14 Loans

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Inter corporate deposit to related party (refer note 43)*	13,72,635.92	-
Loans to employees	4,497.15	-
	13,77,133.07	-

*Refer note 42 for details of transactions with related parties

15 Other financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Interest accrued on		
- on Intercompany deposits to related party (refer note 43)*	77,039.41	-
Recoverable advance to employees	2,091.83	-
Other receivable from related parties (Refer note 42)	1,000.00	4,83,139.24
	80,131.24	4,83,139.24

*Refer note 42 for details of transactions with related parties

16 Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Advances other than capital advances:		
Prepayments	3,266.85	357.62
Advance for supply of goods and rendering of services	1,61,702.00	2,86,183.80
Balance with government authorities	30.00	30.00
	1,64,998.84	2,86,571.42

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17 Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised		
200,000 (March 31, 2020: 200,000) equity shares of Rs 10 each	2,000.00	2,000.00
Issued, subscribed and paid up		
70,002 (March 31, 2020: 70,002) equity shares of Rs 10 each, fully paid up	700.02	700.02
	700.02	700.02

(i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is given below

	As at 31 March 2021		As at 31 March 2020	
	No of shares	Amount	No. of shares	Amount
Number of equity shares outstanding at the beginning of the year	70,002	700.02	70,002	700.02
Number of equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	70,002	700.02	70,002	700.02

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of share referred to as equity shares having a par value of ₹ 10. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shareholders holding more than 5 percent equity shares of the Company:

Name of the share holder	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% holding	No. of shares	% holding
Embassy Property Developments Private Limited (holding company)*	70,002	100.00%	70,002	100.00%
	70,002	100.00%	70,002	100.00%

* 1 Share is jointly held with Mr. Jitendra Virwani

(iv) Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

(v) Issue of securities convertible into equity shares (Refer note 19)

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Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

18 Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
Capital reserve		
At the commencement of the year	(6,52,223.80)	(6,52,223.80)
Add: Additions during the year	-	-
At the end of the year	(6,52,223.80)	(6,52,223.80)
Retained earnings		
At the commencement of the year	(26,27,359.45)	(24,58,123.01)
Add: Net (loss) for the year	(4,87,084.50)	(1,69,236.45)
At the end of the year	(31,14,443.95)	(26,27,359.45)
Equity portion of Interest free loans		
At the commencement of the year	(2,64,674.11)	(2,64,674.11)
Add: Additions during the year	-	-
At the end of the year	(2,64,674.11)	(2,64,674.11)
Equity portion of Corporate guarantee		
At the commencement of the year	(28,797.01)	-
Add: Additions during the year	-	(28,797.01)
At the end of the year	(28,797.01)	(28,797.01)
	(40,60,138.88)	(35,73,054.38)

Nature and purpose of other reserves:

Capital reserve

The company vide Scheme of Amalgamation ('the Scheme') merged its wholly-owned subsidiary Swire Investments Private Limited ('SIPL'). Given that SIPL is a wholly-owned subsidiary of the Company there is no consideration payable for the amalgamation of SIPL with the Company and the consequent transfer of the undertaking, properties, assets and liabilities of SIPL to the Company. The difference of the value of the assets over the liabilities of SIPL vested in the Company has been accounted as capital reserves in the Company.

Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Company is presented under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the statement of profit and loss to retained earnings.

Equity portion of interest free loans

It represents the equity component arising on fair valuation of the said loans as required under Ind AS 109.

Equity portion of corporate guarantee

It represents the equity component arising on fair valuation of the corporate guarantee on loan taken by holding Company as required under Ind AS 109.

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Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

19 Borrowings - non current

Particulars	As at 31 March 2021	As at 31 March 2020
Debentures		
Unsecured:		
Liability component of optionally convertible debentures of ₹.100 each (Refer note (i))	27,83,730.00	-
Secured:		
Vehicle Loan		
from financial institution (Refer note (ii))	24,696.89	-
from banks (Refer note (ii))	13,423.84	-
	28,21,850.74	-

(i) 0 % unsecured fully paid optionally convertible debentures (OCDs):

During the year ended, 31 March 2021, the Company issued 30,000,000 optionally convertible debentures of ₹100 each. The term of the debentures is maximum 10 years from the allotment date unless redeemed or converted earlier. The OCDs carry coupon of 0%.

Conversion terms:

Unless redeemed earlier, at any time during the term, convertible at the option of either issuer/holder into such number of equity shares of face value Rs. 10 each based on higher of:

- (a) Fair market value determined on the date of conversion or
(b) Rs. 10

On expiry of the term, at the option of the Company, the OCDs shall be converted into such number of equity shares as decided above

On receipt of CCI approval and approval of scheme by the tribunal, the OCDs will become CCDs and will be compulsorily convertible as mentioned above.

Name of debenture holder	(in ₹. thousands, except number of debentures)			
	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Amount	No. of debentures	Amount
Embassy Property Developments Private Limited	3,00,00,000	3,00,000.00	-	-

(ii) Vehicle Loans from HDFC Bank- amounting to: ₹ 16,351.30 thousands (31 March 2020: Nil) - including current maturities of non-current borrowings

- (i) Secured by hypothecation of motor vehicles.
(ii) These loans carry an interest rate of 7.75% to 8.50%.
(iii) The principal amount has to be repaid in 60 equated monthly instalments.

Vehicle Loans from Kotak Mahindra Prime Limited - amounting to: ₹ 30,021.89 thousands (31 March 2020: Nil) - including current maturities of non-current borrowings

- (i) Secured by hypothecation of motor vehicles.
(ii) These loans carry an interest rate of 8.13% to 8.30%.
(iii) The principal amount has to be repaid in 60 equated monthly instalments.

(iii) HDFC Limited - balance as at 31 March 2020, including current maturities of long-term debt: ₹ 34,99,946.93 thousands (31 March 2020: ₹. 61,00,000.00 thousands).

Tranche 1 Of ₹. 73,70,000 thousand

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages

An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the 2 projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.

- 3 Personal guarantee of director of Holding Company

Repayment and interest terms	As at 31 March 2021	As at 31 March 2020
Repayable in 60 months and to be settled by June 2021. The loan carries an interest rate of 11.70% p.a linked to HDFC corporate prime lending rate. With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%	32,69,946.93	58,70,000.00
The company shall maintain an escrow account and a designated account in HDFC Limited or any other bank acceptable to HDFC Limited. All collections related to plot purchases are to be routed through this escrow account.		

The Company has applied and received moratorium towards Interest and Principal amount for both the loans as per RBI notification for the month of March 2020 till August 2020.

As per the terms of loan agreement, out of the total outstanding amount as at March 2021, the Company had to repay ₹15,00,000.00 thousands during the period January 2021 to March 2021. Subsequently, the Company had repaid the entire loan.

Tranch 2 of ₹ 2,30,000 thousands

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages
An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the
- 2 projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.
- 3 Personal guarantee of director of the Holding Company

	As at 31 March 2021	As at 31 March 2020
Repayment and interest terms		
Repayable in one installment by December 2020. The loan carries an interest rate of 11.80% p.a linked to HDFC corporate prime lending rate.	2,30,000.00	2,30,000.00
With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%		
The Company had applied and received moratorium towards Interest and Principal amount for the loan as per RBI notification for the period of March 2020 till August 2020		

20 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
Particulars		
Retention money towards project cost	57,132.69	59,968.24
	57,132.69	59,968.24

21 Provisions

	As at 31 March 2021	As at 31 March 2020
Particulars		
Provision for employee benefits (refer note 44 and 45)	22,046.02	-
	22,046.02	-

22 Other non current liabilities

	As at 31 March 2021	As at 31 March 2020
Particulars		
Deferred guarantee income*	6,436.67	11,854.78
	6,436.67	11,854.78

* Refer Note 42 for details of balances with related party

23 Borrowings -current

	As at 31 March 2021	As at 31 March 2020
Particulars		
Unsecured		
Intercompany deposit		
-From related parties (Refer note 43)*	9,13,827.41	-
	9,13,827.41	-

* Refer Note 42 for details of balances with related party

24 Trade payables

	As at 31 March 2021	As at 31 March 2020
Particulars		
Trade payables to MSME	75,741.84	33,127.82
Trade payables to other than MSME	6,23,704.53	5,72,441.36
	6,99,446.37	6,05,569.18

Of the above trade payables to related parties are as below:

	As at 31 March 2021	As at 31 March 2020
Particulars		
Trade payables to related parties (Refer note 42)	2,36,977.37	2,19,907.92
	2,36,977.37	2,19,907.92

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 48

Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹, thousands unless otherwise stated)

Dues to Micro, small and medium enterprises

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	75,741.84	33,127.82
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year^;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

^ No interest has been paid by the Company during the year.

25 Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long-term debt (Refer note 19)	35,06,758.25	60,89,720.63
Accrued payroll	2,763.29	-
Book overdraft	-	4,05,130.44
Interest accrued and due on term loan		
- to financial institution	1,31,176.33	1,41,704.73
Interest accrued but not due on term loan		
- to financial institution	-	73,214.11
Provision for onerous contracts	29,359.47	27,293.00
Provision for expenses	70,609.50	28,755.99
Other payables	1,657.50	2,065.00
	37,42,324.34	67,67,883.90

26 Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits (refer note 44 and 45)	1,985.30	-
	1,985.30	-

27 Other non-financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Advance received from customers	8,724.63	17,710.77
Deferred revenue	33,81,913.78	36,69,241.96
Statutory dues	8,900.76	8,209.46
Deferred guarantee income*	5,418.11	6,141.43
	34,04,957.28	37,01,303.62

* Refer Note 42 for details of balances with related party

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28 Revenue from operations

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
Proceeds from sale of plots	5,90,567.43	4,34,602.89
Other operating income	299.02	1,629.29
	5,90,866.46	4,36,232.18

29 Other income

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
Interest income		
- from fixed deposits	-	1,499.97
- from related parties	83,285.86	-
- from income tax refund	433.44	-
Fair value gain on financial instruments	2,16,270.00	-
Other non-operating income		
Guarantee fee income	6,141.43	10,800.80
Miscellaneous income	642.64	-
	3,06,773.37	12,300.77

30 Land, material and contract cost

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
Land, material and contract cost	2,79,606.53	1,92,875.90
	2,79,606.53	1,92,875.90

31 Employee benefits expense

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
Salaries, wages and other benefits	1,24,657.01	-
Contribution to provident and other funds	6,418.85	-
Gratuity Expense	18,009.72	-
Staff welfare expenses	3.67	-
	1,49,089.26	-

32 Finance cost

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
Interest expense		
- term loan	7,24,554.18	64,757.84
- on vehicle loan from financial institutions	201.26	-
- on vehicle loan from banks	160.47	-
- on others	8,838.17	1,071.28
	7,33,754.08	65,829.12

33 Depreciation and amortization

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment (refer note 4)	1,215.58	-
	1,215.58	-

34 Other expenses

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
Brokerage and commission	41,097.43	31,321.25
Legal and professional fees (refer note 54)	64,851.79	10,324.52
Provision for Onerous Contract	4,253.79	27,293.00
Advertisement expenses	1.36	20.98
Business promotion expenses	14,782.29	39,421.67
Marketing expenses	1,923.11	210.29
Rates and taxes	6,184.77	2,342.70
Incentive	13,403.15	16,823.51
Software and internet usage charges	657.37	554.60
Franking charges	347.45	188.85
Foreign exchange loss, net	1,562.02	17.05
Repairs and maintenance	53,847.88	70,756.20
Contribution to political parties - electoral bonds	-	1,55,000.00
Travel and conveyance expenses	16,791.76	14.81
Transportation charges	40.00	-
Bank charges	645.64	77.91
Office maintenance	3,830.37	1,130.49
Interest on TDS/GST	776.51	292.22
Miscellaneous expenses	5,777.64	3,274.32
	2,30,774.35	3,59,064.37

35 Auditors' remuneration excluding applicable taxes(Included in legal and professional charges)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Statutory audit fees	1,770.00	1,770.00
Tax audit fees	295.00	295.00
Reimbursement of out-of-pocket expenses	-	76.42
Total	2,065.00	2,141.42

36 Contingent liabilities, capital commitments and contingent assets(to the extent not provided for)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contingent liabilities*		
Corporate guarantee given (refer note a below)	-	-
Outstanding dues to MSME (refer note b below)	-	-
Capital commitments		
Estimated specific committed cost towards its capital expenditure (net of advances) and not provided for	62,959.67	61,658.77

Other disputes

The Company has several cases pending against it towards the title of land acquired by it. Management, based on legal advice obtained and also based on the court rulings (in favour of the Company), believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence no amounts has been quantified.

- (a) The Company has extended mortgage of unsold plots in Embassy Springs and land measuring 70.74 acres of land for a comprehensive loan borrowed by its holding Company for various projects executed by its holding Company and charge is created on the receivables in the project Embassy Springs being developed. The loan balance outstanding as on March 31, 2021 is ₹ 5,137,435 thousands.
- (b) The Company has a system for maintenance of documents and other relevant information in respect of amounts due by it to parties who are registered as micro and small enterprises. As at 31 March 2021, the amounts due to micro and small enterprises is ₹ 75,741.84 thousand (₹ 33,127.82 thousand). As per the MSME Act 2006 Section 16, Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank. In this case, the management contends that the creditors has not raised any interest demand yet and the company has not paid interest during the year, and hence the interest accrued under section 16 of the MSME Act is not provided for.

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Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

37 Income taxes

A No income tax expense was recognised in the statement of profit and loss account.

B Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Loss before tax	(4,96,799.97)	(1,69,236.45)
Tax at the Indian tax rate of 26% (March 31, 2020: 26%)	(1,29,167.99)	(44,001.48)
Effect of:		
Income/(Expenditure) on account of application of Ind AS not allowable under Income Tax	56,720.99	4,287.97
Profit recognised as per Ind AS 115 offered for taxation in preceding years	(21,774.35)	(42,306.49)
Permanent disallowance	343.07	43,791.06
Temporary Disallowance for non payment/non-deduction of withholding taxes	2,014.55	5,460.71
Allowance of certain expenditure on payment basis	10,200.85	15,339.59
Other taxable amounts / (allowances)	-	(3.43)
Tax refund received for earlier period	9,715.47	-
Tax using the Company's domestic tax rate	-	-
Deferred tax asset not created on business losses	71,947.41	17,432.06
At the effective income tax rate Nil (March 31, 2020: Nil)	-	-
Income tax expense reported in the statement of profit and loss	-	-

C Recognised deferred tax assets and liabilities

Particulars	As at 31 March 2021		As at 31 March 2020	
	Gross amount	Tax asset/ (liability)	Gross amount	Tax asset/ (liability)
Deferred tax liabilities				
Property, plant and equipment	3,060.32	795.68	-	-
Others	10,279.37	2,672.64		
Deferred tax assets				
Tax losses	4,380.91	1,139.04	-	-
Others	8,958.79	2,329.28		
Net deferred tax (assets) liabilities	-	-	-	-

D Unrecognised deferred tax assets

Deferred Tax assets have been created to the extent of deferred tax liability. Deferred tax assets have not been recognised on accumulated losses, because it is not probable that sufficient future taxable profit will be available against which the Company can set it off within the time limit prescribed to set off the accumulated business loss as per the Income Tax Act.

The company is developing a township project which comprises of multiple projects and the same will take a considerable amount of time to complete. With many projects in the pipeline for which development has not yet started, the Company has not recognised Deferred Tax asset as there is no probability to earn enough profits within the restricted time limit of carry forward and set off of losses.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Tax Losses	3,27,857.56	1,28,908.11
Others	1,35,348.35	20,639.25
	4,63,205.91	1,49,547.36

*The impact of unutilised tax losses is based on details available with the Company at as the date of signing of financial statements

Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

38 Earnings/ (loss) per share

Basic earnings/(loss) per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the number of equity shares outstanding during the year. Diluted Earnings per share ("EPS") amounts are calculated by dividing the profit/(loss) attributable to equity holders

i. Reconciliation of earnings used in calculating earnings per share:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total comprehensive income/(loss) as per statement of profit and loss	(4,87,084.50)	(1,69,236.45)
Total comprehensive income/(loss) as per statement of profit and loss	(4,87,084.50)	(1,69,236.45)

ii. Reconciliation of basic and diluted shares used in computing earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Number of equity shares at the	70,002	70,002
Add:		
Number of equity shares issued during the year	-	-
Number of equity shares for basic and diluted EPS	70,002	70,002
Weighted average number of shares	70,002	70,002

iii.(Loss) per share:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Basic	(6,958.15)	(2,417.59)
Diluted	(6,958.15)	(2,417.59)

For the year ended 31 March 2021, optionally convertible debentures were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

39 Contract with customers

A Revenue Recognised

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Project revenue recognised during the		
- Revenue recognised at a point in time	5,90,567.43	4,34,602.89
- Revenue recognised over a period of time	-	-

B Contract Balances

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contract Assets		-
Contract Liabilities (refer note 27)	33,81,913.78	36,69,241.96
Trade Receivables (refer note 12)	8,17,504.32	17,06,737.10
Advance received from customers (refer note 27)	8,724.63	17,710.77

Impairment losses recognised on receivables or contract assets - -

Contract Liabilities include amount received or receivable from customers as per the instalments stipulated in the buyer agreement to deliver properties and are recognised as revenue once the performance obligations are completed and control is transferred to customers.

C Movement on Contract Balances

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Amounts included in contract liabilities at the beginning of the year	36,69,241.96	14,70,530.78
Amount received/adjusted against contract liability during the year	3,03,239.25	26,33,314.07
Less: Performance obligations satisfied in the current year	(5,90,567.43)	(4,34,602.89)
Amounts included in contract liabilities at the end of the year	33,81,913.78	36,69,241.96

40 Segment reporting

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in the business of real estate development and has no other primary reportable segments. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segments assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the financial statements. As the Company operates in India alone, no separate geographical segment is disclosed.

41 Expenditure on corporate social responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended March 31, 2021.

Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

42 Related party transactions

(i) Names of related parties and description of relationship:

Enterprises where control exists

Ultimate Holding company	JV Holding Private Limited
Holding company	Embassy Property Developments Private Limited

Subsidiary companies	Embassy Infra Developers Private Limited
	Embassy Orange Developers Private Limited
	Embassy Realty Ventures Private Limited

Investment in partnership firm / consortium	Embassy Investment MGT Services LLP

(ii) Other related parties with whom transactions have taken place during the year

1. Enterprises owned or significantly influenced by individuals having substantial voting interest and their relatives	Udhyaman Investments Private Limited
	Embassy Services Private Limited
	Lounge Hospitality LLP
2. Enterprises owned or significantly influenced by holding or ultimate holding company	Babbler Marketing Private Limited
	Bangalore Paints Private Limited
	Embassy Real estate developments Private Limited
3. Key management personnel	Rajesh Ramchand Bajaj
	P.R. Ramakrishnan
	Karan Virwani (w.e.f 18/12/2020)
	Aditya Virwani (w.e.f 18/12/2020)

(iii) Details of related party transactions during the year

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
Proceeds from sale of plots	Udhyaman Investments Private Limited	70,158.83	16,283.80
Guarantee fee income	Embassy Property Developments Private Limited	6,141.43	10,800.80
Interest Income	Embassy Property Developments Private Limited	83,285.86	-
Legal and professional fees	JV Holdings Private Limited	-	103.00
Advertisement Charges	Embassy Property Developments Private Limited	-	-
Business promotion	Lounge Hospitality LLP	10,819.91	10,833.18
	JV Holdings Private Limited	4,777.66	6,931.89
Incentives	Embassy Property Developments Private Limited	-	16,823.51
Repairs and maintenance	Embassy Services Private Limited	60,684.61	85,472.18
Business consultancy fee	Embassy Property Developments Private Limited	-	52,835.31
Reimbursement of project cost and expenses	Udhyaman Investments Private Limited	30,759.75	3,05,201.72
	Embassy Property Developments Private Limited	3,060.00	2.02
Other reimbursements	Embassy Infra Developers Private Limited	32.13	-
	RGE Constructions and Development Private Limited	11.10	-
	Embassy Property Developments Private Limited	13,778.93	-
	We Work India Management Private Limited	19.26	-
	JV Holdings Private Limited	91.84	-
	Embassy Real Estate Developments Private Limited	7,495.64	-
Material and contract cost	Synergy Property Development Services Private	-	40,806.26

(iii) Details of related party transactions during the year (continued)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
Loan given/(repaid)	Embassy Property Developments Private Limited	13,72,635.92	(4,43,028.53)
	Udhyaman Investments Private Limited	(4,83,139.24)	-
Loan taken	Embassy Property Developments Private Limited	-	3,21,409.03
	Udhyaman Investments Private Limited	9,13,827.41	-
Loan (repaid)	Embassy Property Developments Private Limited	-	(3,21,409.03)
Demand raised for sale of plots	Udhyaman Investments Private Limited	-	10,910.78

The Company has no transaction with Key Managerial Personnel

(iv) Amount outstanding as at the balance sheet date :

Particulars		As at March 31, 2021	As at March 31, 2020
Loans - current	Embassy Property Developments Private Limited	13,72,635.92	-
Interest accrued and not due - current	Embassy Property Developments Private Limited	77,039.41	-
Other receivable from related parties - current	Embassy Orange Developers Private Limited	1,000.00	-
	Udhyaman Investments Private Limited	-	4,83,139.24
Advance for supply of goods and rendering of services	Babbler Marketing Private Limited	762.89	762.89
	We Work India Management	19.26	-
	Embassy Infra Developers Private Limited	32.13	-
Trade receivables	Udhyaman Investments Private Limited	14,514.40	7,60,480.48
Investments in Subsidiaries/JVs	Embassy Investment MGT Services LLP	99.00	-
	Embassy Infra Developers Private Limited	99.00	-
	Embassy Buildcon LLP	19,800.00	-
Retention money towards project cost	Babbler Marketing Private Limited	101.10	101.10
Liability component of Optionally convertible debentures	Embassy Property Developments Private Limited	27,83,730.00	-
Liability component of guarantee income (non-current)	Embassy Property Developments Private Limited	6,436.67	11,854.78
Borrowings - current	Udhyaman Investments Private Limited	9,13,827.41	-
Liability component of guarantee income (current)	Embassy Property Developments Private Limited	5,418.11	6,141.43
Trade payables	Synergy Property Development Services Private Limited	16,091.35	36,663.49
	Embassy Services Private Limited	1,42,262.81	84,023.50
	Lounge Hospitality LLP	5,881.81	4,082.12
	JV Holdings Private Limited	1,287.06	29,963.97
	Embassy Property Developments Private Limited	71,035.42	64,755.91
	Babbler Marketing Private Limited	354.89	354.89
	Bangalore Paints Private Limited	64.03	64.03
Outstanding value of security given (refer note 1 below)	Embassy Property Developments Private Limited	51,37,435.00	59,40,000.00

Note:

- (1) The Company has given its land as a secondary security for a loan of ₹ 51,37,435 thousands taken by Embassy Property Developments Private Limited, the holding company.

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Notes to financial statements for the year ended March 31, 2021 (continued)
(all amounts in ₹. thousands unless otherwise stated)

43 Details of inter-corporate loans given:

(a) Terms and conditions on which inter-corporate loans have been given:

Party name	Nature of relationship	Interest rate (p.a)	Repayment terms	Purpose
Embassy Properties Developments Private Limited	Holding company	13.80%	on demand	General corporate purpose

(b) Reconciliation of inter-company deposits/loans given as at the beginning and as at the end of the year:

Party name		As at 31 March 2021	As at 31 March 2020
Embassy Property Developments Private Limited	At the commencement of the year	-	-
	Add: given during the year	20,26,690.00	-
	Add: interest accrued during the year	77,039.41	-
	Less: interest received during the year	-	-
	Less: repaid during the year	(6,54,054.08)	-
	At the end of the year	14,49,675.33	-
Note 14: Inter-Corporate Deposit		13,72,635.92	
Note 15: Interest accrued on Inter-Corporate deposit		77,039.41	
		14,49,675.33	-

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44 Employee benefits obligations

A. Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Particulars	As at 31 March 2021	As at 31 March 2020
Employer's Contribution to Provident Fund	5,487.07	-
Employer's Contribution to Employee State Insurance Corporation	-	-
Employer's Pension Fund	931.78	-
Expense recognised during the year	6,418.85	-

B. Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is unfunded.

(i) Changes in present value of obligation:

Particulars	As at 31 March 2021	As at 31 March 2020
Obligations at the beginning of the year	-	-
Service cost	-	-
- Current service cost	2,546.74	-
- Prior service cost	15,462.98	-
Interest expense or cost	-	-
Actuarial (gains) losses recognised in other comprehensive income	-	-
- due to changes in financial assumptions	-	-
- due to changes in demographic assumptions	-	-
- due to experience adjustments	-	-
Benefits settled	-	-
Obligations at year end	18,009.72	0.00

(ii) Value of assets and liabilities as at Balance sheet date

Particulars	As at 31 March 2021	As at 31 March 2020
Net defined benefit assets	-	-
Net defined benefit liability	18,009.72	-
Net liability:	18,009.72	
Non-current	16,831.05	-
Current	1,178.67	-

(iii) Expense recognised in statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	2,546.74	-
Interest cost	-	-
Past service cost	15,462.98	-
Expected return on plan assets	-	-
Net gratuity cost	18,009.72	-

(iv) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Actuarial (gains) / losses on defined benefit obligation	-	-
Actuarial (gains) / losses on plan assets excluding interest income	-	-
	-	-

(v) Actuarial assumptions

(a) Principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2021	As at 31 March 2020
Financial assumptions		
Discount Rate	6.35%	-
Mortality Rate	0.092% to 2.40%	-
Salary growth rate	8%	-
Normal retirement age	60 Years	-
Attrition / Withdrawal rate (per annum)	7.80%	-

(b) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have reflected the defined benefit obligation as the amounts shown below.

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the end of the period	18,009.72	-

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (Impact due to 0.50%)	(853.84)	920.30	-	-
Future salary growth (Impact due to 0.50%)	901.57	(846.46)	-	-
Attrition rate (Impact due to 50%)	1,170.63	(774.42)		

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(vi) Maturity Profile of Defined Benefit Obligation

Expected cash flows over the next (valued on undiscounted basis):		As at March 2021
Apr 2022- Mar 2023		1,178.67
Apr 2023- Mar 2027		5,243.21
Apr 2027- Mar 2032		6,875.86
Apr 2032 onwards		24,493.11

45 Employee benefits obligations - Compensated Absences

Compensated Absences

Compensated Absences have been provided for based on actuarial valuation based on leave encashment policy of the Company.

(i) Changes in present value of obligation:

Particulars	As at 31 March 2021	As at 31 March 2020
Obligations at the beginning of the year	-	-
Service cost		-
- Current service cost and prior service Cost	6,021.60	-
Interest expense or cost	-	-
Actuarial (gains) losses recognised in other comprehensive income	-	-
- due to changes in financial assumptions	-	-
- due to changes in demographic assumptions	-	-
- due to experience adjustments	-	-
Benefits settled	-	-
Obligations at year end	6,021.60	0.00

(ii) Value of assets and liabilities as at Balance sheet date

Particulars	As at 31 March 2021	As at 31 March 2020
Net defined benefit assets	-	-
Net defined benefit liability	6,021.60	-
Net liability:	6,021.60	
Non-current	5,214.97	-
Current	806.63	-

(iii) Expense recognised in statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost and Past service cost	6,021.60	-
Interest cost	-	-
Expected return on plan assets	-	-
Net cost	6,021.60	-

(iv) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Actuarial (gains) / losses on defined benefit obligation	-	-
Actuarial (gains) / losses on plan assets excluding interest income	-	-
	-	-

(v) Actuarial assumptions

(a) Principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2021	As at 31 March 2020
Financial assumptions		
Discount Rate	6.35%	-
Mortality Rate	0.092% to 2.40%	-
Salary growth rate	8%	-
Normal retirement age	60 Years	-
Attrition / Withdrawal rate (per annum)	7.80%	-

(b) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have reflected the defined benefit obligation as the amounts shown below.

Particulars	As at	As at
	31 March 2021	31 March 2020
Present value of obligation at the end of the period	6,021.60	-

Particulars	For the year ended		For the year ended	
	31 March 2021		31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (Impact due to 0.50%)	(189.26)	200.28	-	-
Future salary growth (Impact due to 0.50%)	196.20	(187.28)	-	-
Attrition rate (Impact due to 50%)	(1,236.04)	1,872.56		

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

46 Financial instruments - Fair value measurements and category

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial assets measured at amortised cost:				
Loans (current and non-current)	13,79,120.49	-	11.00	-
Trade receivables	8,17,504.32	-	17,06,737.10	-
Cash and cash equivalents	2,32,025.17	-	31,198.72	-
Other financial assets (current and non-current)	80,131.24	-	4,83,139.24	-
Total	25,08,781.23	-	22,21,086.06	-
Financial assets measured at cost (refer note 7)				
Investments	20,348.48	-	-	-
Total	20,348.48	-	-	-
Financial liabilities measured at amortised cost:				
Borrowings (current and non-current)	44,60,147.59	-	61,00,000.00	-
Trade payable	6,99,446.37	-	6,05,569.18	-
Other financial liabilities (current and non current)	2,92,698.78	-	7,38,131.50	-
Total	54,52,292.74	-	74,43,700.68	-
Financial liabilities measured at fair value through profit and loss:				
Borrowings (current and non-current)	27,83,730.00	-	-	-
Total	27,83,730.00	-	-	-

47 Financial instruments - Fair value hierarchy

(a) Accounting classification and fair value

The following table shows the carrying amounts and fair values of financial liabilities, including their levels in the fair value hierarchy.

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (current and non-current)		
- 0 % unsecured fully paid optionally convertible debentures (OCDs)	27,83,730.00	-
Total	27,83,730.00	-

Particulars	Level 1	Level 2	Level 3	Total
0 % unsecured fully paid optionally convertible debentures (OCDs)	-	-	27,83,730.00	27,83,730.00
	-	-	27,83,730.00	27,83,730.00

Significant unobservable inputs used in measuring fair value

Particulars	Fair Value as at 31 March 2021	Valuation technique	Significant unobservable Inputs	Methodology adopted
0 % unsecured fully paid optionally convertible debentures (OCDs)	27,83,730.00	Market approach using comparable trading multiples	1. Equity valuation of the company 2. Equity price history of comparable companies 3. Risk free rate as represented by G Sec yields over balance tenor as at the date of valuation as sourced from FIBL	1. 4000 possible equity price paths are modeled 2. For each of these paths, the equity price is determined 3. For each of these equity prices, the value of the CCDs is determined based on the conversion formula 4. These 4,000 CCD prices are averaged

48 Financial instruments - risk management

The Company's financial assets majorly comprise of loans to related parties, other receivable from related parties, trade receivables and cash & cash equivalents. The Company's financial liabilities majorly comprises of borrowings, trade payables.

The Company is exposed to credit risk, liquidity risk and interest rate risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions affecting business operations and the Company's activities.

Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹, thousands unless otherwise stated)

(a) Credit risk

In order to mitigate the credit risk on receivables, the Company does business only with recognised third parties thereby reducing the credit risk. Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Loss allowance measured at 12 month expected credit loss for financial assets for which credit risk has not increased significantly since initial recognition

For year ended 31 March 2021

Particulars	Estimated gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount, net of provision
Loan to related parties	13,72,635.92	-	-	13,72,635.92
Security deposits	11.00	-	-	11.00
Loan to employees	6,473.57	-	-	6,473.57
	13,79,120.49	-	-	13,79,120.49

For year ended 31 March 2020

Particulars	Estimated gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount, net of provision
Loan to related parties	-	-	-	-
Security deposits	11.00	-	-	11.00
Loan to employees	-	-	-	-
	11.00	-	-	11.00

(b) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

Exposure to interest rate risk:

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed-rate instruments:		
Financial assets		
Inter-corporate loans given	13,72,635.92	-
Financial liabilities		
Vehicle Loans obtained	46,373.19	-

Particulars	As at 31 March 2021	As at 31 March 2020
Variable instruments:		
Financial assets	-	-
Financial liabilities	34,99,946.99	60,89,720.63
Total	34,99,946.99	60,89,720.63

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for variable rate instruments

A reasonably possible change of 1% in interest rates at the reporting date would have increased/ (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity net of tax	
	1% increase	1% decrease	1% increase	1% decrease
Loans & Borrowings				
31 March 2021				
Variable rate instruments	2,63,153.91	(2,63,153.91)	1,94,733.89	(1,94,733.89)
31 March 2020				
Variable rate instruments	4,58,646.62	(4,58,646.62)	3,39,398.50	(3,39,398.50)

(c) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has a dedicated treasury management team which monitors on a daily basis the fund positions/requirements of the Company. The treasury management team plans the cash flows of the Company by planning and identifying future mismatches in funds availability and reports the planned & current liquidity position to the top management and board of directors of the Company.

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows:

For the year ending 31 March 2021

Particulars	Total	Less than 1 year	1 to 5 years	more than 5 years
Financial assets				
Loans	13,79,120.49	13,77,133.07	1,987.42	-
Trade receivable	8,17,504.32	8,17,504.32	-	-
Cash and cash equivalents	2,32,025.17	2,32,025.17	-	-
Other financial assets	80,131.24	80,131.24	-	-
	25,08,781.22	25,06,793.80	1,987.42	-
Financial Liabilities				
Zero percent unsecured fully paid optionally convertible debentures	30,00,000.00	-	30,00,000.00	-
Borrowings (Current and Non-current)	44,60,147.59	35,08,199.47	9,51,948.12	-
Trade payable	6,99,446.37	6,99,446.37	-	-
Other financial liabilities (current and non current)	2,92,698.78	2,35,566.09	57,132.69	-
	84,52,292.74	44,43,211.93	40,09,080.81	-

For the year ending 31 March 2020

Particulars	Total	Less than 1 year	1 to 5 years	more than 5 years
Financial assets				
Loans	11.00	-	11.00	-
Trade receivable	17,06,737.10	17,06,737.10	-	-
Cash and cash equivalents	31,198.72	31,198.72	-	-
Other financial assets	4,83,139.24	4,83,139.24	-	-
	22,21,086.06	22,21,075.06	11.00	-
Non-derivative financial liabilities				
Borrowings (Current and Non-current)	61,00,000.00	61,00,000.00	-	-
Trade payable	6,05,569.18	6,05,569.18	-	-
Other financial liabilities (current and non current)	7,38,131.50	6,78,163.26	59,968.24	-
	74,43,700.68	73,83,732.45	59,968.24	-

Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

49 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening balance	Cash flows		Non cash movement	Closing balance
	1 April 2020	Proceeds	Repayments	Fair value changes	31 March 2021
For the year ended 31 March 2021*	(60,89,720.63)	41,59,640.28	(27,99,492.69)	(2,07,431.83)	(72,42,436.39)
For the year ended 31 March 2020*	(64,61,859.58)	-	(3,81,481.94)	9,342.99	(60,89,720.63)

* Includes current obligations under borrowings classified under "Other current financial liabilities"

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages the capital structure based on an adequate gearing which yields higher share holder value which is driven by the business requirements for capital expenditure and cash flow requirements for operations and plans of business expansion and consolidation. Accordingly based on the relative gearing and effective operating cash flows generated, the Company manages the capital either by raising required funds through debt, equity or through payment of dividends.

The capital and net debt position of the company is as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Total Debts *	72,42,436.39	60,89,720.63
Total equity	(40,59,438.84)	(35,72,354.34)
Capital and net debt	31,82,997.55	25,17,366.29

* It includes non-current borrowings, current borrowings and current maturities of long term borrowings

51 Separate financial statements

a. Exemption from preparation of consolidated financial statements:

As per Ind AS 110, paragraph 4(a), a Parent company need not present consolidated financial statements if it meets following conditions:

i) It is a wholly owned subsidiary or is a partially owned subsidiary of another company and all its other members, including those not otherwise entitled to vote, have been intimated in writing and for which the proof of delivery of such intimation is available with the company, do not object to the company not presenting consolidated financial statements.

ii) Its ultimate or intermediate holding company files the consolidated financial statements with the registrar which are in compliance with the applicable accounting standards. The financial statements are separate financial statements and the exemption from consolidation has been used, as the parent company informed the other shareholders about its intention of not presenting consolidated financial statements.

b. List of significant investment in subsidiaries, joint ventures and associates:

Sl No	Name of the investees	Proportion of ownership interest	Principal place of business	Method used to account
1	Embassy Infra Developers Private Limited	99.99%	Bengaluru	Carried at cost
2	Embassy Orange Developers Private Limited	99.99%	Bengaluru	Carried at cost
3	Embassy Realty Ventures Private Limited	100%	Bengaluru	Carried at cost
4	Embassy Investment MGT Services LLP	99%	Bengaluru	Carried at cost

Nam Estates Private Limited
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Notes to financial statements for the year ended March 31, 2021 (continued)

(all amounts in ₹. thousands unless otherwise stated)

52 Uncertainty relating to the global health pandemic on COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on revenue recognition, investment property (including under development), property, plant and equipment, capital work in progress, and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company and have compared the actual performance with the projections and expects the carrying amount of these assets as reflected in the balance sheet as at 31 March 2021 will be recovered. The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

53 During the year ended March 31, 2021, the Board of Directors of the Company in its meeting held on July 06, 2020 have approved the Scheme of Arrangement ('Demerger Scheme') between the Company and its holding company i.e., Embassy Property Developments Private Limited under section 233 and other applicable provisions of the Companies Act, 2013 for demerger of certain assets and liabilities forming part of the Demerged Undertaking from the holding Company to the Company. The Demerger Scheme is subject to approval by the Regional Director (South Eastern Region), Registrar of Companies (Karnataka), shareholders and creditors of the Company. As part of the regulatory process, the Company has already issued notices to applicable regulatory authorities on September 14, 2020. Further, the shareholders of the Company have approved the Demerger Scheme in the extraordinary general meeting held on June 12, 2021 and the Company has filed the application with the Regional Director and Registrar of Companies for approval of the Demerger Scheme on June 14, 2021.

54 The Company has incurred Rs 49,427.52 thousands towards various professionals for finalising the Demerger scheme as stipulated in note 52 and other restructuring activities. In accordance with Ind AS 103 and other relevant accounting standards, the costs incurred have been charged to Statement of Profit and Loss in the year of incurring the same. The same is reflected in note 33 under the head "Legal and Professional Charge"

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

**for and on behalf of the Board of Directors of
Nam Estates Private Limited**

D N Sree Hari

Partner

Membership No. 027388

Place: Bengaluru

Date: 27th July 2021

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 27th July 2021

Rajesh Bajaj

Director

DIN: 00738227

Place: Bengaluru

Date: 27th July 2021

INDEPENDENT AUDITORS' REPORT

To the Members of **NAM Estates Private Limited**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of NAM Estates Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st 2020 and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As stated in note 28 to the financial statements, the Company has extended its land as security for a loan taken by its Holding Company in which, a director is interested. Further, as stated in note 11 to the financial statements, the Company has extended loans to its Holding Company. The Outstanding balance as on 31st March, 2020 is Nil (31st of March 2019 is Rs. 4,43,028.53 thousands). The entire loan has been repaid in full during the year.

As per the requirement of Section 185 of the Companies Act, 2013 ('Act'), no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested without complying with the provisions as laid down in the said section of the Act. Accordingly, the aforementioned loan given and security provided is not in compliance with the requirements of the Act. The impact of this non-compliance has not been quantified by the Company.

During the year, the Company has undertaken remedial actions and consequently has passed a special resolution approving the continuity of extension of security for the charge created for loan obtained by Holding Company. Further, the Company has filed an application seeking compounding of offence under Section 441 of the Companies Act, 2013 for violation of section 185 of the said Act.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. except for the matters described in the basis of qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. except for the possible effects of the matters described in the basis of qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, except for the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. in our opinion the matters described in the basis of qualified opinion paragraphs above, may have an adverse effect on the functioning of the Company.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as disclosed in note 28 to the financial statements. The Company has cases pending against it towards the title of land acquired by it. The Management, based on legal advice, believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence the amount has not been quantified.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 20027388AAAAAP7529

Place: Bengaluru

Date: 04th August, 2020

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report to the Members of **Nam Estates Private Limited** ('the Company') for the year ended 31 March 2020,

We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of investment properties.
 - (b) The Company is engaged in the business of real estate and all items of Investment property consists of land parcels. The Company has a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and subject to the matters mentioned in Note 26, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is engaged in the business of real estate development and related services and holds inventories in the form of land, properties under development and constructed properties. The management has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed during the such physical verification.
- (iii) The Company has granted deposit to one company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The deposit was repaid and closed during the year.
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the terms and conditions of the deposit granted by the Company to the company covered in the register maintained under section 189 of the Companies Act, 2013 are prejudicial to the interest of the Company, as disclosed below:
 - (b) in the case of the loans granted to the company listed in the register under Sec 189 of the Act, the stipulation as to repayment of principle and interest is as specified below. The repayments of principal amounts and interest have been made as per stipulations.
 - (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue.

Name of the company	Amount advanced during the year (Rs. In thousand)	Amount as at 31 March 2020 (Rs. In thousand)	Terms
Embassy Property Developments Private Limited (Holding Company holding 100% equity shares)	Nil	Nil	Interest free Inter Corporate Deposit (loan)

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, deposit and investments made, except as disclosed below:

The Company has extended its land as security for a loan taken by its Holding Company in which, a director is interested. Further, as stated in note 11 to the financial statements, the Company has extended loans to its Holding Company. The Outstanding balance as on 31st March, 2020 is Nil (31st of March 2019 is Rs. 4,43,028.53 thousands). The entire loan has been repaid in full during the year.

As per the requirement of Section 185 of the Companies Act, 2013 ('Act'), no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested without complying with the provisions as laid down in the said section of the Act. Accordingly, the aforementioned loan given and security provided is not in compliance with the requirements of the Act. The impact of this non-compliance has not been quantified by the Company.

The maximum amount outstanding during the year in relation to loan given was Rs 4,43,028.53 thousand and the amount outstanding as at 31 March 2020 is Nil.

During the year, the Company has passed a special resolution approving the continuity of extension of security for the charge created for loan obtained by Holding Company. Further, the Company has filed an application seeking compounding of offence under Section 441 of the Companies Act, 2013 for violation of section 185 of the said Act.

- (v) The Company has not accepted any deposits from public within the meaning of the directives issued by Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Goods & Service Tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company does not have any dues on account of Provident Fund, Employees' State Insurance, Cess, Duty of Customs and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Goods & Service Tax and other statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, VAT, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bankers or financial institutions other than detailed below. The Company did not have any outstanding dues to debenture holders or government during the year.

Particulars	Amount of Default (INR)	Period of Default	Remarks
Loan taken from HDFC Bank			
Principal Amount	₹ 11,85,18,061	91 days default as on Balance sheet date	Based on details available with the Company, ₹ 11,85,18,061 has been repaid during the month of April 2020
Principal Amount	₹ 50,00,00,000	60 days default as on Balance sheet date	Based on details available with the Company, ₹ 36,45,50,181 has been subsequently repaid during the month of April and June 2020
Principal Amount	₹ 50,00,00,000	31 days default as on Balance sheet date	None

Based on RBI notification dated 23rd March 2020, the Company has applied for moratorium towards interest and principal repayments falling due for the month of March 2020. The said application was approved and the relief in payment of Interest and principal amount was approved for the Moratorium period ended on 31 May, 2020.

Further, based on RBI's subsequent notification dated 23 May, 2020, the Company has requested for further extension of moratorium ending on 31 Aug, 2020. The said application is pending approval from the Bank.

- (ix) According to the information and explanations given to us, the Company has not raised any money by way of public issue or further public offer (including debt instruments) during the year
- (x) According to the information and explanations given to us, no material fraud on the Company by its officers or employees or a fraud by the Company has been noticed or reported during the course of our audit.
- (xi) The Company is a private limited company. Thus, paragraph 3(xi) of the Order relating to provisions of Section 197 is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Thus, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us the Company is not required to constitute an Audit Committee in accordance with Section 177. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placements of shares or debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 20027388AAAAAP7529

Place: Bengaluru

Date: 04th August, 2020

Annexure – B to the Independent auditor’s report of even date on the financial statements of NAM Estates Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Qualified Opinion

We have audited the internal financial controls over financial reporting of NAM Estates Private Limited (“the Company”) as of March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion and according to the information and explanation given to us and based on our audit, the following material weakness have been identified as at 31 March 2020

The company did not have adequate internal control system to ensure compliance with respect to the legal and regulatory framework applicable to the company, which has resulted in the non-compliance as stated in Basis of qualified opinion paragraph of our audit report. However, the Company has undertaken remedial actions towards rectification of the non-compliance.

A ‘Material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is reasonable possibility that a material misstatement of the company’s annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial control were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India(the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India” These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as the “Act”).

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for N S V M & Associates

Chartered Accountants

Firm Reg. No. 010072S

D N Sree Hari

Partner

Membership No. 027388

UDIN: 20027388AAAAAP7529

Place: Bengaluru

Date: 04th August, 2020

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Balance sheet

(all amounts in ₹. thousands unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment	4	-	-
Investment property	5	1,61,876.77	1,72,031.91
Investment property under development	6	7,81,219.06	7,11,601.92
Financial assets			
Other financial assets	7	11.00	11.00
Other non-current assets	8	1,70,201.12	1,67,555.50
Total non-current assets		11,13,307.95	10,51,200.33
Current assets			
Inventories	9	39,53,270.96	33,81,571.32
Financial assets			
Trade receivables	10	17,06,737.10	12,74,715.67
Loans	11	-	4,43,028.53
Cash and cash equivalents	12	31,198.72	32,046.67
Other bank balances	13	-	32,931.73
Other financial assets	14	4,83,139.24	5,06,402.73
Other Current assets	15	2,86,571.42	3,37,302.17
Total current assets		64,60,917.44	60,07,998.82
Total assets		75,74,225.38	70,59,199.15
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	700.02	700.02
Other equity	17	(35,73,054.36)	(33,75,020.90)
Total equity		(35,72,354.34)	(33,74,320.88)
Non-current liabilities			
Financial liabilities			
Borrowings	18	-	44,65,724.71
Other financial liabilities	19	59,968.24	84,061.87
Other non current liabilities	20	11,854.78	-
Total non-current liabilities		71,823.02	45,49,786.58
Current liabilities			
Financial liabilities			
Trade Payables			
Dues to micro, small and medium enterprises	21	33,127.82	11,073.40
Dues to parties other than micro, small and medium enterprises	21	5,72,441.36	4,39,722.71
Other financial liabilities	22	67,67,883.90	19,96,134.87
Other non-financial liabilities	23	37,01,303.63	34,36,802.47
Total current liabilities		1,10,74,756.71	58,83,733.45
Total liabilities		1,11,46,579.73	1,04,33,520.03
Total equity and liabilities		75,74,225.38	70,59,199.15

Significant accounting policies

3

The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date attached

for **N S V M & Associates**
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D.N Sree Hari
Partner
Membership number: 027388
Place: Bengaluru
Date: August 04, 2020

P. R. Ramakrishnan
Director
DIN: 00055416
Place: Bengaluru
Date: August 04, 2020

Rajesh Ramchand Bajaj
Director
DIN: 00738227
Place: Bengaluru
Date: August 04, 2020

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Statement of profit and loss

(all amounts in ₹. thousands unless otherwise stated)

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	24	4,36,232.18	789.99
Sale of plots		-	28,582.31
Other income	25	12,300.77	54,003.32
Total Income		4,48,532.95	83,375.62
Expenses			
Cost of inventories sold			
Land, material and contract cost		1,92,875.90	-
Purchase of plots		-	27,161.74
Finance costs	26	65,829.12	1,39,432.40
Other expenses	27	3,59,064.38	3,87,944.61
Depreciation and amortization		-	-
Total expenses		6,17,769.40	5,54,538.75
Profit/ (Loss) before tax		(1,69,236.45)	(4,71,163.13)
Tax expense:			
Current tax	29	-	-
Deferred tax	29	-	-
Loss for the year		(1,69,236.45)	(4,71,163.13)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:		-	-
Income tax relating to items that will not be reclassified subsequent to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/ (loss) for the year		(1,69,236.45)	(4,71,163.13)
Loss per equity share:			
Equity shares of par value of ₹ 10 each			
Basic (₹ per share)	31	(2,417.59)	(6,730.71)
Diluted (₹ per share)	31	(2,417.59)	(6,730.71)
Significant accounting policies	3		

The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D.N Sree Hari
Partner
Membership number: 027388

Place: Bengaluru
Date: August 04, 2020

P. R. Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: August 04, 2020

Rajesh Ramchand Bajaj
Director
DIN: 00738227

Place: Bengaluru
Date: August 04, 2020

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Statement of cash flow
(all amounts in ₹. thousands unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Loss before tax	(1,69,236.45)	(4,71,163.13)
Adjustments for:		
Non cash and other adjustments:		
Interest income(Fair value adjustments)	-	(51,686.13)
Interest expense	65,829.12	1,39,432.40
Interest income	(1,499.97)	(1,946.40)
Guarantee Income	(10,800.80)	-
Provision for Expenses	28,755.99	-
Provision for Onerous Contract	27,293.00	-
Profit from redemption of mutual funds	-	(370.80)
Operating cash flow before working capital changes	(59,659.11)	(3,85,734.06)
Changes in working capital		
- (Increase) / decrease in inventories*	(4,22,609.92)	(8,37,502.96)
- (Increase) / decrease in loans	4,43,028.53	9,94,888.89
- (Increase) / decrease in Other non - current & current financial assets	23,102.13	22,782.54
- (Increase) / decrease in current assets and non current assets	50,730.74	8,95,494.83
- (Increase) / decrease in trade receivables	(4,32,021.43)	(3,05,996.95)
- Increase / (decrease) in other non-financial liabilities	2,58,359.73	(1,11,940.41)
- Increase / (decrease) in trade payables	1,54,773.07	2,24,074.15
- Increase / (decrease) in other non-current & Current financial liabilities	3,92,444.79	1,022.03
Cash generated from operating activities before taxes	4,08,148.53	4,97,088.06
Income taxes paid(net of refund)	(2,645.62)	(5,975.73)
Net cash generated from operating activities	4,05,502.91	4,91,112.33
Cash flow from investing activities:		
Interest income	1,661.34	1,912.93
Purchase of Mutual Fund	-	(40,000.00)
Proceeds from Sale of Mutual Fund	-	40,370.80
Payment for purchase of property plant and equipment	(59,461.99)	(2,88,673.31)
Net cash (used in) investing activities	(57,800.65)	(2,86,389.58)
Cash flow from financing activities:		
Repayments of borrowings	(3,81,481.94)	(3,75,505.71)
Net cash (used in) financing activities	(3,81,481.94)	(3,75,505.71)
Net increase / (decrease) in cash and cash equivalents	(33,779.68)	(1,70,782.96)
Cash and bank balances at the beginning of the year	64,978.40	2,35,761.36
Cash and bank balances at the end of the year	31,198.71	64,978.40
Components of cash and cash equivalents (refer note 12)		
Balances with banks		
- in current accounts	21,096.55	20,071.62
- in escrow account	10,102.17	11,975.05
Other bank balances		
- in fixed deposits	-	32,931.73
	31,198.72	64,978.40

Books overdraft are considered to be an integral part of the cash management system and are therefore taken into consideration for determining the net cash flows of the Company

*Includes cash flows arising from payment of interest cost which have been inventorised

Significant accounting policies

3

The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date attached

for **NSVM & Associates**
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D.N Sree Hari
Partner
Membership number: 027388

Place: Bengaluru
Date: August 04, 2020

P. R. Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: August 04, 2020

Rajesh Ramchand Bajaj
Director
DIN: 00738227

Place: Bengaluru
Date: August 04, 2020

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Statement of changes in equity for the year ended March 31, 2020
(all amounts in ₹. thousands unless otherwise stated)

A. Equity share capital

	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid	
Balance as at April 1, 2018	700.02
Add: issued during the year	-
Balance as at the March 31, 2019	700.02
Add: issued during the year	-
Balance as at March 31, 2020	700.02
Also Refer Note 16	

B. Other equity

	Attributable to owners of the company			
	Capital reserve*	Reserves and surplus		Total other equity
		Retained earnings	Other equity	
Balance as at April 1, 2018	(6,52,223.80)	(11,17,941.78)	(2,64,674.11)	(20,34,839.69)
On account of adoption of IND AS 115	-	(8,69,018.10)	-	(8,69,018.10)
Loss for the year	-	(4,71,163.11)	-	(4,71,163.11)
Balance as at March 31, 2019	(6,52,223.80)	(24,58,122.99)	(2,64,674.11)	(33,75,020.90)
Balance as at April 1, 2019	(6,52,223.80)	(24,58,122.99)	(2,64,674.11)	(33,75,020.90)
Transactions recorded directly in equity				
- equity portion of corporate gurantee	-	-	(28,797.01)	(28,797.01)
Loss for the year	-	(1,69,236.45)	-	(1,69,236.45)
Balance as at March 31, 2020	(6,52,223.80)	(26,27,359.44)	(2,93,471.12)	(35,73,054.36)
Also refer note 17				

* On March 19, 2015, the Board of directors of the Company passed a resolution to merge into the Company, Swire Investments Private Limited ('SIPL'), its wholly-owned subsidiary. Pursuant to this, on July 14, 2015, the Company filed a Scheme of Amalgamation ('the Scheme') with the Honourable High Court of Karnataka, with an appointed date of April 1, 2015. The scheme was approved by the High Court on August 29, 2017 effective April 1, 2015 and hence the merger has been effected as on April 1, 2015 during the financial year 2016-17.

As per the aforementioned scheme, the assets and liabilities of SIPL have been merged with the Company. Given that SIPL is a wholly-owned subsidiary of the Company there is no consideration payable for the amalgamation of SIPL with the Company and the consequent transfer of the undertaking, properties, assets and liabilities of SIPL to the Company. The difference of the value of the assets over the liabilities of SIPL vested in the Company has been accounted as capital reserves in the Company.

Significant accounting policies

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **N S V M & Associates**
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D.N Sree Hari
Partner
Membership number: 027388
Place: Bengaluru
Date: August 04, 2020

P. R. Ramakrishnan
Director
DIN: 00055416
Place: Bengaluru
Date: August 04, 2020

Rajesh Ramchand Bajaj
Director
DIN: 00738227
Place: Bengaluru
Date: August 04, 2020

1 Company overview

Nam Estates Private Limited ('the Company') was incorporated on June 02, 1995. The Company engaged in the business of real estate development of commercial, residential, hospitality ,development of township and related activities.

2 Basis of preparation

2.01 Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015,Companies (Indian Accounting Standards) Amendment Rules, 2016,Companies (Indian Accounting Standards) Amendment Rules, 2018 and other relevant provisions of the Act.

The Company's financial statements have been prepared on a going concern basis. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on the market value of the underlying inventory and Investment Properties held by the Company. These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

2.02 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded- off to the nearest thousand, unless otherwise indicated.

2.03 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain investments in equity instruments which is measured at fair value.

Items	Measurement basis
Certain financial assets and liabilities	Fair value

2.04 Use of estimates and judgements

The preparation of financial statements in conformity with Indian Accounting Standards("IND AS") requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Judgments

Information about judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- (i) Classification of assets as investment property or as property, plant and equipment.- refer note 3.15
- (ii) Determination of the amount and timing of revenue from contracts with customers - refer note 3.01

Assumptions and estimation and uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 or subsequent year/ years is included in the following notes:

- (i) Valuation of financial instruments - refer note 38
- (ii) Non-Recognition of deferred tax asset on carried forward losses and availability of future taxable profit against which tax losses carried forward can be used - refer note 29

2.05 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between marked participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the fair value measurement as a whole at the end of the reporting period.

2.06 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3 Significant accounting policies

3.01 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Proceeds from sale of plotted development and constructed property

Revenue is recognized upon transfer of control of units of plots to customers and on completion of critical obligation as per the customer contract, in an amount that reflects the consideration the Company expects to receive in exchange for those units of plots. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of plotted development, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the units of plots for residential use which coincides with the execution of sale deed.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred unit of plots.

ii. Recognition of revenue from transfer of assignment rights

Revenue from transfer of assignment rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from transfer of assignment rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

iii. Guarantee Income

Financial guarantees issued by the company are recognised initially at fair value, and the financial guarantee is recognised in P&L over the tenure of the

iv. Interest income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

v. Dividend income

Dividends is recognised when the share holders or unit holder right to receive the payment is established, which is generally when shareholders approve the dividend.

3.02 Investment properties

i. Recognition and measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. The cost of the assets not ready for their intended use before such date, are disclosed as Investment property under development.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Investment properties are depreciated on straight-line method over their estimated useful lives. However, where the Management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and the cost of the investment property can be measured reliably.

iii. Depreciation

Based on an independent assessment, the management has estimated the useful lives of the following class of assets. Depreciation is provided on straight line method as per the following useful life of the assets estimated by the management:

Asset	Useful life
Building	5-60 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

iv. Derecognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

3.03 Inventories

Related to real estate activities

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

i. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.

ii. Finished goods - Plots: Valued at lower of cost and net realisable value.

iii. Land inventory: Valued at lower of cost and net realisable value.

3.04 Impairment of assets

Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The Company tests for impairment using the ECL model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime ECL. Life time ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. For financial assets measured at amortised cost, ECL is presented as an allowance which reduces the net carrying amount of the financial asset.

3.05 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through profit or loss.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in P&L.
FVTPL	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instrument

A financial asset is primarily derecognised when:

- the rights to receive the cash flows from the asset have expired or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.06 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with borrowings of funds. Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

In case of extended periods during which activities necessary for bringing the asset ready for its intended use are not undertaken, the company suspends the capitalisation of borrowing cost to the asset.

3.07 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding book overdrafts that are repayable on demand are considered part of the Company's cash management system.

3.08 Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.09 Foreign currency

i. Functional currency

The Company's financial statements are presented in INR, which is also the company's functional currency.

ii. Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.10 Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in the OCI or in the equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

3.11 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

3.12 Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3.13 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

3.14 Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

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Notes to financial statements for the year ended March 31, 2020

(all amounts in ₹. thousands unless otherwise stated)

3.15 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Classification of property

The Company determines whether a property is classified as investment property or inventory:

The company is developing a township project containing various types of real estate development. Based on the intention of use, the land property and related development cost have been classified as either investment property, property plant & equipment or have been inventorised.

Investment property comprises land and buildings (principally offices, commercial and school property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented or intended to be rented to tenants and not intended to be sold in the ordinary course of business. Inventory property comprises of property that is held for sale in the ordinary course of business. Principally, this is residential property that the Company develops and intends to sell before or on completion of construction/development.

The Company based its assumptions and estimates on parameters available on the reporting period about future developments. The above judgements may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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Notes to the financial statements for the year ended March 31, 2020

(all amounts in ₹. thousands unless otherwise stated)

4 Property, plant and equipment

Reconciliation of carrying amount for the year ended 31 March 2019 and 31 March 2020

Description	Tangible, owned Furniture and fixtures
Gross Block (Cost or deemed cost)	
Balance as at April 1, 2018	3.80
Additions during the year	-
Disposals	-
Balance as at March 31, 2019	3.80
 Balance as at April 1, 2019	 3.80
Additions during the year	-
Disposals	-
Balance as at March 31, 2020	3.80
 Accumulated depreciation	
Balance as at April 1, 2018	3.80
Depreciation for the year	-
Balance as at March 31, 2019	3.80
 Balance as at April 1, 2019	 3.80
Depreciation for the year	-
Balance as at March 31, 2020	3.80
 Carrying amounts (net):	
Balance as at March 31, 2019	-
Balance as at March 31, 2020	-

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Notes to financial statements for the year ended March 31, 2020

(all amounts in ₹. thousands unless otherwise stated)

5 Investment property

Reconciliation of carrying amount for the year ended 31 March 2019 and 31 March 2020

Description	Freehold land	Total
<u>Gross Block (Cost or deemed cost)</u>		
Balance as at 1 April 2018	1,63,792.25	1,63,792.25
Additions during the year	8,239.66	8,239.66
Balance as at 31 March 2019	1,72,031.91	1,72,031.91
Balance as at 1 April 2019	1,72,031.91	1,72,031.91
Additions during the year	500.26	500.26
Other Adjustments*	(10,655.40)	(10,655.40)
Balance as at 31 March 2020	1,61,876.77	1,61,876.77
<u>Accumulated depreciation</u>		
Balance as at 1 April 2018	-	-
Charge for the year	-	-
Balance as at 31 March 2019	-	-
Balance as at 1 April 2019	-	-
Charge for the year	-	-
Balance as at 31 March 2020	-	-
Carrying amounts (net):		
As at 31 March 2019	1,72,031.91	1,72,031.91
As at 31 March 2020	1,61,876.77	1,61,876.77

*Investment property comprises of cost of freehold land. During the previous year, there is a change in value of Investment Property due to change in nature of holding from Investment property to Inventory

(b) Amounts Recognised in Statement of Profit and Loss for Investment Property

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income derived from investment properties	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	500.63	837.78
Profit/(loss) arising from investment properties before depreciation and indirect expenses	(500.63)	(837.78)
Less: Depreciation	-	-
Loss Arising from Investment Properties before indirect expenses	(500.63)	(837.78)

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Notes to financial statements for the year ended March 31, 2020

(all amounts in ₹. thousands unless otherwise stated)

(c) Determination of Fair value

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the

Fair value:	₹ in thousands
As at 31 March 2019	55,41,000
As at 31 March 2020	69,30,000

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The Company has used "Direct Comparison" method approach for assessing the fair value of the property as on 31 March 2020 and has used "Direct Comparison" method and "Discounted cash flow" approach for assessing the fair value of the property as on 31 March 2019

The "Direct Comparison Approach" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable.

In the "Discounted Cash Flow" method, the future cash flows from the property are forecasted using precisely stated assumptions. This method allows for the explicit modelling of income associated with the property. These future financial benefits are then discounted to a present day value at an appropriate discount rate.

Para 97 of Ind AS 113 Fair value measurements states that for each class of assets and liabilities not measured at fair value in the balance sheet but for which the fair value is disclosed, an entity shall disclose the information required by paragraph 93(b), (d) and (i). However, the said para states that an entity is not required to provide the quantitative disclosures about significant unobservable inputs used in fair value measurements categorised within Level 3 of the fair value hierarchy required by paragraph 93(d). Therefore, no disclosure in relation to sensitivity analysis of significant unobservable inputs used in fair value measurements of Investment property and Investment property under development (including capital advances) has been provided in the financial statements.

(d) Restriction on realisability

The above said property is placed as collateral security for the secured loan availed from the financial institution by the company. Further, it is placed as secondary collateral for the loan availed by its holding company.

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6 Investment property under development

Particulars	As at 31 March 2020	As at 31 March 2019
Investment property under development (refer note (i) below)	7,81,219.06	7,11,601.92
	7,81,219.06	7,11,601.92

i) Investment property under development comprises of infrastructure cost incurred for the development of property.

7 Other financial assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Security Deposits	11.00	11.00
	11.00	11.00

8 Other non-current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Advances paid for purchase of land	1,37,584.32	1,37,584.32
Advances other than capital advances:		
Advance tax, net of provision for tax	32,616.80	29,971.18
	1,70,201.12	1,67,555.50

9 Inventories(valued at lower of cost and net realizable value)

Particulars	As at 31 March 2020	As at 31 March 2019
Cost of land and infrastructure development	39,53,270.96	33,81,571.32
	39,53,270.96	33,81,571.32

10 Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - unsecured (refer note 36)	17,06,737.10	12,74,715.67
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables - credit impaired	-	-
	17,06,737.10	12,74,715.67
Less:allowance for impairment loss	-	-
	17,06,737.10	12,74,715.67

11 Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to related parties (Refer note no.36)	-	4,43,028.53
	-	4,43,028.53

The Company had extended loans to it's Holding Company, in which a director is interested, in the preceding years. The amount outstanding as on 31 March 2020 is Nil (31 March 2019 is ₹ 4,43,028.53). As per the requirements of Section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a Director is interested. Accordingly the aforementioned loan given by the Company is not in compliance with the requirements of the Act.

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Nam Estates Private Limited
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Notes to financial statements for the year ended March 31, 2020
(all amounts in ₹. thousands unless otherwise stated)

12 Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents		
Balances with banks		
- in current accounts	21,096.55	20,071.62
- in escrow account (refer note (i) below)	10,102.17	11,975.05
	31,198.72	32,046.67
	31,198.72	32,046.67

(i) Rs 10,102.17 (March 31, 2019: Rs 11,975.05) thousands is held in escrow account with HDFC Limited for repayment of term loans.

13 Other bank balances

Particulars	As at 31 March 2020	As at 31 March 2019
Other bank balances		
Fixed deposit accounts with banks with original maturity of more than three months	-	32,931.73
	-	32,931.73
	-	32,931.73

13 Other financial assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered Good		
Receivable from related parties (Refer note no.36)	4,83,139.24	5,06,241.36
Interest accrued on fixed deposits	-	161.37
	4,83,139.24	5,06,402.73

14 Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Advance for supply of goods and rendering of services	2,86,183.80	2,97,176.62
Prepayments	357.62	209.86
Balance with government authorities	30.00	39,915.69
	2,86,571.42	3,37,302.17

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16 Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised		
200,000 (March 31, 2019: 200,000) equity shares of Rs 10 each	2,000.00	2,000.00
Issued, subscribed and paid up		
70,002 (March 31, 2019: 70,002) equity shares of Rs 10 each, fully paid up	700.02	700.02
	700.02	700.02

(i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is given below

	As at March 31, 2020		As at March 31, 2019	
	No of shares	Amount	No. of shares	Amount
Number of equity shares outstanding at the beginning of the year	70,002	700.02	70,002	700.02
Number of equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	70,002	700.02	70,002	700.02

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of share referred to as equity shares having a par value of ₹ 10. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shareholders holding more than 5 percent equity shares of the Company:

Name of the share holder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Embassy Property Developments Private Limited (holding company)*	70,002	100.00%	65,742	93.91%
	70,002	100.00%	65,742	93.91%

* 1 Share is jointly held with Mr.Jitendra Virwani

(iv) Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

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17 Other Equity

Particulars	As at 31 March 2020	As at 31 March 2019
Capital reserve		
At the commencement of the year	(6,52,223.80)	(6,52,223.80)
Add: Additions during the year	-	-
At the end of the year	(6,52,223.80)	(6,52,223.80)
Retained earnings		
At the commencement of the year	(24,58,123.01)	(11,17,941.78)
Add: On account of adoption of IND AS 115	-	(8,69,018.10)
Add: Net (loss) for the year	(1,69,236.45)	(4,71,163.13)
At the end of the year	(26,27,359.46)	(24,58,123.01)
Equity portion of Interest free loans		
At the commencement of the year	(2,64,674.11)	(2,64,674.11)
Add: Additions during the year	-	-
At the end of the year	(2,64,674.11)	(2,64,674.11)
Equity portion of Corporate Guarantee		
At the commencement of the year	-	-
Add: Additions during the year	(28,797.01)	-
At the end of the year	(28,797.01)	-
	(35,73,054.38)	(33,75,020.92)

Nature and purpose of other reserves:

Capital reserve

The company vide Scheme of Amalgamation ('the Scheme') merged its wholly-owned subsidiary Swire Investments Private Limited ('SIPL'). Given that SIPL is a wholly-owned subsidiary of the Company there is no consideration payable for the amalgamation of SIPL with the Company and the consequent transfer of the undertaking, properties, assets and liabilities of SIPL to the Company. The difference of the value of the assets over the liabilities of SIPL vested in the Company has been accounted as capital reserves in the Company.

Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Company is presented under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the statement of profit and loss to retained earnings.

Equity portion of Interest free loans

It represents the equity component arising on fair valuation of the said loans as required under Ind AS 109.

Equity portion of Corporate Guarantee

It represents the equity component arising on fair valuation of the corporate guarantee on loan taken by holding company as required under Ind AS 109.

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18 Borrowings - non current

Particulars	As at 31 March 2020	As at 31 March 2019
Secured:		
Term Loan:		
from financial institution (refer note below)	-	44,65,724.71
	-	44,65,724.71

Details of security, repayment and interest of term loans (including current maturities of long - term debt):

(i) HDFC Limited [balance as at 31 March 2020, including current maturities of long-term debt: ₹. 61,00,000.00 thousands (Previous year: ₹. 64,81,481.94 thousands)].

Tranch 1 Of ₹.73,70,000 thousand

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages
An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.
- 2
- 3 Personal guarantee of director of Holding Company

Repayment and interest terms	As at 31 March 2020	As at 31 March 2019
Repayable in 60 months and to be settled by December 2020. The loan carries an interest rate of 11.70% p.a linked to HDFC corporate prime lending rate. With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%	58,70,000.00	62,51,481.94

- 4 As per the terms of loan agreement, out of the total outstanding amount as at March 2020, the Company had to repay ₹11,18,518.06 thousands during the period December 2019 to February 2020. Subsequently, the Company has repaid ₹ 4,83,068.24 thousands towards the said loan.

Tranch 2 of ₹.2,30,000 thousands

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages
An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.
- 2
- 3 Personal guarantee of director of the Holding Company

Repayment and interest terms	As at 31 March 2020	As at 31 March 2019
Repayable in one installment by December 2020. The loan carries an interest rate of 11.80% p.a linked to HDFC corporate prime lending rate. With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%	2,30,000.00	2,30,000.00

The Company has applied for moratorium towards Interest and Principal amount for both the loans as per RBI notification for the month of March 2020 (refer note 22)

19 Other financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Retention money towards project cost	59,968.24	84,061.87
	59,968.24	84,061.87

20 Other non current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred guarantee income(refer note 36)	11,854.78	
	11,854.78	-

21 Trade Payables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables to micro and small enterprises (Refer note 34 and note 36)	33,127.82	11,073.40
Trade payables to other than MSME (Refer note 36)	5,72,441.36	4,41,297.71
	6,05,569.18	4,52,371.11

22 Other financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long-term debt (Refer note 18)*	60,89,720.63	19,96,134.87
Book overdraft	4,05,130.44	-
Interest accrued and due on term loan		
- to financial institution	1,41,704.73	-
Interest accrued but not due on term loan		
- to financial institution	73,214.11	-
Provision for onerous contracts	27,293.00	-
Provision for expenses	28,755.99	-
Other payables	2,065.00	-
	67,67,883.90	19,96,134.87

* Based on RBI notification dated 23rd March 2020, the Company has applied for moratorium towards interest and principal repayments falling due for the month of March 2020 to May 2020. The said application for relief in payment of Interest and principal amount was approved by the Financial Institution for the Moratorium period ended on 31 May, 2020.

Further, based on RBI's subsequent notification dated 23 May, 2020, the Company has requested for further extension of moratorium for further period till 31 August, 2020. The said application is pending approval from the Financial Institution.

Since the application for the further extension is pending approval from the Financial Institution, the company has classified the entire loan outstanding as current maturities based on the existing repayment schedule and moratorium approval provided by the Financial Institution till May-2020.

23 Other non-financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance received from customers	17,710.77	21,399.26
Deferred revenue	36,69,241.96	34,01,798.57
Statutory dues	8,209.47	13,604.64
Deferred guarantee income (refer note 36)	6,141.43	-
	37,01,303.63	34,36,802.47

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24 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Proceeds from sale of plots	4,34,602.89	-
Other Operating Income	1,629.29	789.99
	4,36,232.18	789.99

25 Other income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income		
- from fixed deposits	1,499.97	1,946.40
- from related parties	-	51,686.13
Profit from redemption of mutual funds	-	370.80
Guarantee fee income	10,800.80	-
	12,300.77	54,003.33

26 Finance cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense		
- term loan	64,757.84	1,38,099.00
- others	1,071.28	1,333.40
	65,829.12	1,39,432.40

27 Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Brokerage and commission	31,321.25	17,695.71
Legal and professional fees	10,324.52	10,045.27
Provision for Onerous Contract	27,293.00	-
Advertisement expenses	20.98	25,449.82
Business promotion expenses	39,421.67	74,645.80
Marketing expenses	210.29	12,308.93
Rates and taxes	2,342.70	4,138.48
Incentive	16,823.51	5,762.36
Software and internet usage charges	554.60	1,639.55
Franking charges	188.85	635.56
Foreign exchange loss, net	17.05	462.72
Repairs and maintenance	70,756.20	61,847.92
Contribution to political parties - electoral bonds	1,55,000.00	1,65,000.00
Travel and conveyance expenses	14.81	95.19
Bank charges	77.91	630.31
Office maintenance	1,130.49	1,483.14
Interest on TDS/GST	292.22	88.47
Miscellaneous expenses	3,274.33	6,015.37
	3,59,064.38	3,87,944.60

28 Contingent liabilities, capital commitments and contingent assets(to the extent not provided for)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contingent liabilities*		
Corporate Guarantee given(refer note a below)	-	-
Outstanding dues to MSME(refer note b below)	-	-
Capital commitments		
Estimated specific committed cost towards its capital expenditure (net of advances) and not provided for	61,658.77	23,394.93

Other disputes

The Company has several cases pending against it towards the title of land acquired by it. Management, based on legal advice obtained and also based on the court rulings (in favour of the Company), believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence no amounts has been quantified.

- (a) The Company has extended mortgage of unsold plots in Embassy Springs and land measuring 70.74 acres of land for a comprehensive loan borrowed by its holding Company for various projects executed by its holding Company and charge is created on the receivables in the project Embassy Springs being developed. The loan balance outstanding as on March 31, 2020 is ₹ 59,40,000 thousands.
- (b) The Company has a system for maintenance of documents and other relevant information in respect of amounts due by it to parties who are registered as micro and small enterprises. As at 31 March 2020, the amounts due to micro and small enterprises is ₹ 33,127.82 thousand out of which ₹ 26,246.67 thousand is outstanding for more than 45 days from the appointed day(as defined in the 2(b) of the MSME Act 2006). As per the MSME Act 2006 Section 16, Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank. In this case, the management contends that the creditors has not raised any interest demand yet and the company has not paid interest during the year, and hence the interest accrued under section 16 of the MSME Act is not provided for.

29 Income taxes

A No income tax expense was recognised in the statement of profit and loss account.

B Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss before tax	(1,69,236.45)	(4,71,163.13)
Tax at the Indian tax rate of 26% (March 31, 2020: 26%)	(44,001.48)	(1,22,502)
Effect of:		
Income/(Expenditure) on account of application of Ind AS not allowable under Income Tax	4,287.97	(13,438.39)
Profit recognised as per Ind AS 115 offered for taxation in preceding years	(42,306.49)	-
Permanent disallowance	43,791.06	80,548.45
Temporary Disallowance for non payment/non-deduction of withholding taxes	5,460.71	59.94
Allowance of certain expenditure on payment basis	15,339.59	-
Other taxable amounts / (allowances)	(3.43)	(4.02)
Tax using the Company's domestic tax rate	-	-
Deferred tax asset not created on business losses	17,432.06	55,336.43
At the effective income tax rate Nil (March 31, 2019: Nil)	0.00	0.00
Income tax expense reported in the statement of profit and loss	-	-

C Unrecognised deferred tax assets

Deferred tax assets have not been recognised on accumulated losses, because it is not probable that sufficient future taxable profit will be available against which the Company can set it off within the time limit prescribed to set off the accumulated business loss as per the Income Tax Act.

The company is developing a township project which comprises of multiple projects and the same will take a considerable amount of time to complete. With many projects in the pipeline for which development has not yet started, the Company has not recognised Deferred Tax asset as there is no probability to earn enough profits within the restricted time limit of carry forward and set off of losses.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Impact of Unutilised tax losses*	1,28,908.11	1,09,878.28
Others	20,639.25	-
	1,49,547.36	1,09,878.28

*The impact of unutilised tax losses is based on details available with the Company at as the date of signing of financial statements

Notes to financial statements for the year ended March 31, 2020

(all amounts in ₹. thousands unless otherwise stated)

30 Auditors' remuneration including applicable taxes(Included in legal and professional charges)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Statutory audit fees	1,770.00	1,770.00
Tax audit fees	295.00	295.00
Reimbursement of out-of-pocket expenses	76.42	-
Total	2,141.42	2,065.00

31 Earnings/ (loss) per share

Basic earnings/(loss) per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the number of equity shares outstanding during the year. Diluted Earnings per share ("EPS") amounts are calculated by dividing the profit/(loss) attributable to equity holders

i. Reconciliation of earnings used in calculating earnings per share:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Total comprehensive income/(loss) as per statement of profit and loss	(1,69,236.45)	(4,71,163.13)
Total comprehensive income/(loss) as per statement of profit and loss	(1,69,236.45)	(4,71,163.13)

ii. Reconciliation of basic and diluted shares used in computing earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Number of equity shares at the beginning of the year	70,002	70,002
Add:		
Number of equity shares issued during the year		
Number of equity shares for basic and diluted EPS	70,002	70,002
Weighted average number of shares	70,002	70,002

iii.(Loss) per share:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic (₹ per share)	(2,417.59)	(6,730.71)
Diluted (₹ per share)	(2,417.59)	(6,730.71)

32 Contract with customers

A Revenue Recognised

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Project revenue recognised during the year		
- Revenue recognised at a point in time	4,34,602.89	-
- Revenue recognised over a period of time	-	-

B Contract Balances

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contract Assets	-	-
Contract Liabilities (refer note 23)	36,69,241.96	34,01,798.57
Trade Receivables (refer note 10)	17,06,737.10	12,74,715.67
Advance received from customers (refer note 23)	17,710.77	21,399.26
Impairment losses recognised on receivables or contract assets	-	-

Contract Liabilities include amount received or receivable from customers as per the instalments stipulated in the buyer agreement to deliver properties and are recognised as revenue once the performance obligations are completed and control is transferred to customers

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Notes to financial statements for the year ended March 31, 2020
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C Movement on Contract Balances

Particulars	Year ended March 31, 2020
Amounts included in contract liabilities at the beginning of the year	34,01,798.57
Amount received/adjusted against contract liability during the year	7,02,046.28
Less: Performance obligations satisfied in the current year	(4,34,602.89)
Amounts included in contract liabilities at the end of the year	36,69,241.96

33 The Company carries out real estate development activities and outsources its management/construction/technology assistance requirements and hence does not have any employees on its rolls and does not incur any employee related benefits/ costs.

34 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2020 (March 31, 2019) has been made in the financial statements based on information received and available with the Company.

No interest has been paid by the Company during the year. The Company has not received any claim for interest during the year ended 31 March 2020 and 31 March 2019. (Refer note 28(b))

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	33,127.82	11,073.40
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year.

35 Segment reporting

The Company is primarily engaged in the business of real estate development, which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India, which is considered as a single geographical segment.

Nam Estates Private Limited
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Notes to financial statements for the year ended March 31, 2020

(all amounts in ₹. thousands unless otherwise stated)

36 Related parties

(i) Names of related parties and description of

Enterprises where control exists

Ultimate Holding company	JV Holding Private Limited
Holding company	Embassy Property Developments Private Limited

(ii) Other related parties with whom transactions have taken place during the year

1. Enterprises owned or significantly influenced by individuals having substantial voting interest and their relatives	Udhyan Investments Private Limited Synergy Property Development Services Private Limited (upto 15.10.19) Embassy Services Private Limited Lounge Hospitality LLP
2. Enterprises owned or significantly influenced by holding or ultimate holding company	Babbler Marketing Private Limited Bangalore Paints Private Limited
3. Key management personnel	Rajesh Ramchand Bajaj P.R. Ramakrishnan

(iii) Details of related party transactions during the year

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Proceeds from sale of plots	Udhyan Investments Private Limited	16,283.80	-
Guarantee fee income	Embassy Property Developments Private Limited	10,800.80	-
Interest Income	Embassy Property Developments Private Limited	-	51,686.13
Purchase of rights in Plots	Udhyan Investments Private Limited	-	27,161.74
Legal and professional fees	JV Holdings Private Limited	103.00	-
Advertisement Charges	Embassy Property Developments Private Limited	-	35,861.74
Business Promotion	Lounge Hospitality LLP	10,833.18	7,611.56
	JV Holdings Private Limited	6,931.89	18,309.02
Incentives	Embassy Property Developments Private Limited	16,823.51	5,762.36
Repairs and maintenance	Embassy Services Private Limited	85,472.18	66,398.65
Business Consultancy Fee	Embassy Property Developments Private Limited	52,835.31	51,496.96
Reimbursement of project cost and expenses	Udhyan Investments Private Limited	3,05,201.72	1,08,984.41
	Embassy Property Developments Private Limited	2.02	-
Material and contract cost	Synergy Property Development Services Private Limited	40,806.26	48,147.43

(iii) Details of related party transactions during the year (continued)

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Loan given/(refund)	Embassy Property Developments Private Limited	(4,43,028.53)	(9,43,202.77)
Loan taken	Embassy Property Developments Private Limited	3,21,409.03	-
Loan (repaid)	Embassy Property Developments Private Limited	(3,21,409.03)	-
Demand raised for sale of plots	Udhyan Investments Private Limited	10,910.78	4,67,486.51

The Company has no transaction with Key Managerial Personnel

(iv) Amount outstanding as at the balance sheet date

Particulars		As at March 31, 2020	As at March 31, 2019
Financial assets - Loans (current)	Embassy Property Developments Private Limited	-	4,43,028.53
Other Financial assets - current	Udhyan Investments Private Limited	4,83,139.24	5,06,241.36
Trade receivables	Udhyan Investments Private Limited	7,60,480.48	7,59,253.93
Advance for supply of goods and rendering of services	Babbler Marketing Private Limited	762.89	762.89
Retention money towards project cost	Babbler Marketing Private Limited	101.10	101.10
Other equity component of guarantee fee income	Embassy Property Developments Private Limited	28,797.01	-
Liability component of guarantee income (non-current)	Embassy Property Developments Private Limited	11,854.78	-
Liability component of guarantee income (current)	Embassy Property Developments Private Limited	6,141.43	-
Trade payables	Synergy Property Development Services Private Limited	36,663.49	46,536.98
	Embassy Services Private Limited	84,023.50	70,318.27
	Lounge Hospitality LLP	4,082.12	5,097.89
	JV Holdings Private Limited	29,963.97	15,991.15
	Embassy Property Developments Private Limited	64,755.91	-
	Babbler Marketing Private Limited	354.89	354.89
	Bangalore Paints Private Limited	64.03	64.03

The Company has given its land as a secondary security for a loan of ₹ 59,40,000 thousands taken by Embassy Property Developments Private Limited, the holding company.

37 Expenditure on corporate social responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended March 31, 2020.

38 Disclosure on financial assets and financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial assets measured at amortised cost:				
Loans (current and non-current)	-	-	4,43,028.53	-
Trade receivables	17,06,737.10	-	12,74,715.67	-
Fixed deposits with banks	-	-	32,931.73	-
Cash and cash equivalents	31,198.72	-	32,046.67	-
Other financial assets (current and non-current)	4,83,150.24	-	5,06,413.73	-
Total	22,21,086.06		22,89,136.33	
Financial liabilities measured at amortised cost:				
Borrowings(current and non-current)	60,89,720.63	-	64,61,859.58	-
Trade payable	6,05,569.18	-	4,50,796.11	-
Other financial liabilities (Current and non current)	7,38,131.50	-	84,061.87	-
Total	74,33,421.31		69,96,717.56	

39 Financial instruments - risk management

The Company's financial assets majorly comprise of loans to related parties, other receivable from related parties, trade receivables and cash & cash equivalents. The Company's financial liabilities majorly comprises of borrowings, trade payables.

The Company is exposed to credit risk, liquidity risk and interest rate risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions affecting business operations and the Company's activities.

(a) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or loans given leading to financial loss. The Company's exposure to credit risk arises from its operating and financing activities. The credit risk arises primarily from loans given.

In order to mitigate the credit risk on receivables, the Company does business only with recognised third parties thereby reducing the credit risk. For other financial assets (including loans, cash and cash equivalents), the Company minimises credit risk by dealing exclusively with related parties and high credit rating counterparties.

(b) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

Exposure to interest rate risk:

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed-rate instruments:		
Financial assets	-	32,931.73
Financial liabilities	-	-
Total	-	32,931.73

Particulars	As at 31 March 2020	As at 31 March 2019
Variable instruments:		
Financial assets	-	-
Financial liabilities	60,89,720.63	64,61,859.58
Total	60,89,720.63	64,61,859.58

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for variable rate instruments

A reasonably possible change of 1% in interest rates at the reporting date would have increased/ (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity net of tax	
	1% increase	1% decrease	1% increase	1% decrease
Loans & Borrowings				
31 March 2020				
Variable rate instruments	4,58,646.62	(4,58,646.62)	3,39,398.50	(3,39,398.50)
31 March 2019				
Variable rate instruments	4,87,329.47	(4,87,329.47)	3,60,623.81	(3,60,623.81)
31 March 2018				
Variable rate instruments	4,98,443.15	(4,98,443.15)	4,05,582.52	(4,05,582.52)

(c) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has a dedicated treasury management team which monitors on a daily basis the fund positions/requirements of the Company. The treasury management team plans the cash flows of the Company by planning and identifying future mismatches in funds availability and reports the planned & current liquidity position to the top management and board of directors of the Company.

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows:

As at 31 March 2020	Total	Less than 1 year	1 to 5 years	more than 5 years
Financial assets				
Trade receivable	17,06,737.10	17,06,737.10	-	-
Cash and cash equivalents	31,198.72	31,198.72	-	-
Other financial assets	4,83,150.24	4,83,139.24	11.00	-
	22,21,086.06	22,21,075.06	11.00	-

As at 31 March 2020	Total	Less than 1 year	1 to 5 years	more than 5 years
Non-derivative financial liabilities				
Borrowings (Current and Non-current)	61,00,000.00	61,00,000.00	-	-
Trade payable	6,05,569.18	6,05,569.18	-	-
Other financial liabilities (current and non current)	7,38,131.50	6,78,163.27	59,968.24	-
	74,43,700.68	73,83,732.45	59,968.24	-

As at 31 March 2019	Total	Less than 1 year	1 to 5 years	more than 5 years
Financial assets				
Loans	4,43,028.53	4,43,028.53	-	-
Trade receivable	12,74,715.67	12,74,715.67	-	-
Fixed deposits with banks	32,931.73	32,931.73	-	-
Cash and cash equivalents	32,046.67	32,046.67	-	-
Other financial assets	5,06,413.73	5,06,402.73	11.00	-
	22,89,136.33	22,89,125.33	11.00	-

As at 31 March 2019	Total	Less than 1 year	1 to 5 years	more than 5 years
Non-derivative financial liabilities				
Borrowings (Current and Non-current)	64,81,481.94	20,00,000.00	44,81,481.94	-
Trade payable	4,50,796.11	4,50,796.11	-	-
Other financial liabilities (current and non current)	84,061.87	-	84,061.87	-
	70,16,339.92	24,50,796.11	45,65,543.81	-

40 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening balance	Cash flows		Non cash movement	Closing balance
	1 April 2019	Proceeds	Repayments	Fair value changes	31 March 2020
Proceeds from borrowings*	(64,61,859.58)	-	(3,81,481.94)	9,342.99	(60,89,720.63)

* Includes current obligations under borrowings classified under "Other current financial liabilities"

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages the capital structure based on an adequate gearing which yields higher share holder value which is driven by the business requirements for capital expenditure and cash flow requirements for operations and plans of business expansion and consolidation. Accordingly based on the relative gearing and effective operating cash flows generated, the Company manages the capital either by raising required funds through debt, equity or through payment of dividends.

The capital and net debt position of the company is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Total Debts *	60,89,720.63	64,61,859.58
Total equity	(35,72,354.34)	(33,74,320.88)
Capital and net debt	25,17,366.29	30,87,538.70

* It includes non-current borrowings, current borrowings and current maturities of long term borrowings

42 Impact of COVID 19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of its trade receivables and other receivables from related party. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings in view of COVID – 19 as at the date of approval of these financial statements. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

for **N S V M & Associates**
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D N Sree Hari
Partner
Membership No. 027388

Place: Bengaluru
Date: August 04, 2020

P. R. Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: August 04, 2020

Rajesh Ramchand Bajaj
Director
DIN: 00738227

Place: Bengaluru
Date: August 04, 2020

INDEPENDENT AUDITORS' REPORT

To the Members of **NAM Estates Private Limited**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of NAM Estates Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st 2019 and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As stated in note 6 & 11 to the financial statements, the Company has, prior to June 2018, given loans to its Holding Company having Common Directors. The Outstanding balance as on 31st of March 2019 is Rs. 3,53,028.53 thousand. As per the requirements of erstwhile section 185 of the Companies Act, 2013 ('Act'), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a director is interested, and accordingly the above loan given by the Company is not in compliance with the requirements of Section 185 of the Act.

Further, the Company has given a loan of Rs 90,000 thousand during year ended 31 March 2019 to a private company, in which the director is interested, for which no special resolution was passed. As per the requirements of section 185 of the Companies (Amendment) Act, 2017, no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested without passing a special resolution. Accordingly, the aforementioned loan given is not in compliance with the requirements of section 185.

Further, the loan given to the holding company is interest-free, which in our view, is not at arm's length, and is prejudicial to the interests of the Company. The impact of this non-compliance has not been quantified by the Company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. except for the matters described in the basis of qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. except for the possible effects of the matters described in the basis of qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, except for the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. in our opinion the matters described in the basis of qualified opinion paragraphs above, may have an adverse effect on the functioning of the Company.

- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 27 to the financial statements; The Company has several cases pending against it towards the title of land acquired by it. Management, based on legal advice obtained and also based on the court rulings (in favour of the Company), believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence no amounts quantified.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

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D N Sree Hari

Partner

Membership No: 027388

Place: Bengaluru

Date: 05th September, 2019

UDIN: 19027388AAAAAL7082

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report to the Members of **Nam Estates Private Limited** ('the Company') for the year ended 31 March 2019,

We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of investment properties.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. During the year, the Company has carried out a physical verification of all of its investment properties. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its investment properties. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and subject to the matters mentioned in Note 27, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company currently does not hold any physical inventory, except for parcels of land and development thereof. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has granted deposit to one company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the terms and conditions of the deposit granted by the Company to the company covered in the register maintained under section 189 of the Companies Act, 2013 are prejudicial to the interest of the Company, as disclosed below:
 - (b) in the case of the loans granted to the company listed in the register under Sec 189 of the Act, the stipulation as to repayment of principle and interest is as specified below.
 - (c) the principal and interest repayable at the maturity of the loan and hence, there is no overdue as on date in the case of the loans granted to the company listed in the register under Sec 189 of the Act.

Name of the company	Amount advanced during the year (Rs. In thousand)	Amount as at 31 March 2019 (Rs. In thousand)	Terms
Embassy Property Developments Private Limited	Rs.90,000/-	Rs. 4,43,028.53	Repayable within 12 months from the reporting period.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, deposit and investments made, except as disclosed below:

The Company has given a loan outstanding at Rs 3,53,028.53 thousand as at 31 March 2019 to a private company, in which the director is interested. As per the requirements of erstwhile section 185 of the Act, no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested. Accordingly, the aforementioned loan given is not in compliance with the requirements of section 185. The maximum amount outstanding during the year in relation to loan given was Rs 14,37,917.428 thousand and the amount outstanding as at 31 March 2019 was Rs 3,53,028.53 thousand

Further, the Company has given a loan of Rs 90,000 thousand during year ended 31 March 2019 to a private company, in which the director is interested, for which no special resolution was passed. As per the requirements of section 185 of the Companies (Amendment) Act, 2017, no company shall, directly or indirectly, provide any loan, or give any guarantee or provide any security to a person in whom a director is interested without passing a special resolution. Accordingly, the aforementioned loan given is not in compliance with the requirements of section 185. The maximum amount outstanding during the year in relation to loan given was Rs 90,000 thousand and the amount outstanding as at 31 March 2019 was Rs Rs 90,000 thousand .

- (v) The Company has not accepted any deposits from public within the meaning of the directives issued by Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Goods & Service Tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company does not have any dues on account of Provident Fund, Employees' State Insurance, Cess, Sales Tax, Value-Added Tax, Service tax, Duty of Customs and Duty of Excise.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Service Tax, Goods & Service Tax and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, VAT, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bankers or financial institutions. The Company did not have any outstanding dues to debenture holders or government during the year.

- (ix) According to the information and explanations given to us, the Company has not raised any money by way of public issue or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no material fraud on the Company by its officers or employees or a fraud by the Company has been noticed or reported during the course of our audit.
- (xi) The Company is a private limited company. Thus, paragraph 3(xi) of the Order relating to provisions of Section 197 is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Thus, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us the Company is not required to constitute an Audit Committee in accordance with Section 177. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placements of shares or debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

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D N Sree Hari

Partner

Membership No: 027388

Place: Bengaluru

Date: 05th September, 2019

UDIN: 19027388AAAAAL7082

Annexure B to the Independent Auditors' Report

(Referred to paragraph 2(g) under 'Report on other regulatory requirements' Section of our report to the members of **Nam Estates Private Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Nam Estates Private Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company based on our audit. We conducted our audit in accordance with the Guidance Note on audit of internal financial controls and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2019:

The Company did not have an appropriate internal control system for inter-company transactions which could potentially result in the Company not complying with statutory regulations.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as at 31 March 2019.

We have considered the qualification reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the qualification above in relation to controls around inter-company transactions has affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

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D N Sreehari

Partner

Membership No: 027388

UDIN: 19027388AAAAAL7082

Place: Bengaluru

Date: 05th September, 2019

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Balance sheet as at March 31,2019

	Notes	March 31, 2019	(Rs. in thousands) March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	-	-
Investment property	4	1,72,031.91	1,63,792.25
Investment property under development	5	7,11,601.92	4,31,168.28
Financial assets			
Loans	6	-	6,49,072.22
Other non-current financial assets	7	11.00	1,039.16
Other non-current assets	8	1,67,555.50	1,61,579.77
Total non-current assets		10,51,200.33	14,06,651.68
Current assets			
Inventories	9	33,81,571.62	14,81,818.95
Financial assets			
Trade receivables	10	12,74,715.67	9,68,718.72
Loans	11	4,43,028.53	7,37,159.08
Cash and bank balances	12	64,978.40	2,35,761.36
Other current financial assets	13	5,06,402.73	5,28,123.65
Other Current assets	14	3,37,302.17	12,32,797.00
Total current assets		60,07,999.12	51,84,378.76
Total assets		70,59,199.45	65,91,030.44
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	700.02	700.02
Other equity		(33,75,020.90)	(20,34,839.69)
Total equity		(33,74,320.88)	(20,34,139.67)
Non-current liabilities			
Financial liabilities			
Borrowings	16	44,65,724.71	44,21,039.75
Other financial liabilities	17	84,061.87	83,039.85
Total non-current liabilities		45,49,786.58	45,04,079.60
Current liabilities			
Financial liabilities			
Borrowings	18	-	68,639.02
Trade Payable			
Dues to micro, small and medium enterprises	19	11,073.40	4,247.04
Dues to creditors other than micro, small and medium enterprises	19	4,39,722.71	2,22,474.92
Other financial liabilities	20	19,96,134.87	22,08,254.13
Other non-financial liabilities	21	34,36,802.77	16,17,475.40
Total current liabilities		58,83,733.75	41,21,090.51
Total equity and liabilities		70,59,199.45	65,91,030.44

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **N S V M & Associates**

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Nam Estates Private Limited

D N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: September 05, 2019

P. R. Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: September 05, 2019

Rajesh Ramchand Bajaj

Director

DIN: 00738227

Place: Bengaluru

Date: September 05, 2019

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Statement of profit and loss for the year ended March 31, 2019

(Rs. in thousands)

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	22	789.99	10,29,467.15
Sale of plots		28,582.31	27,223.39
Other income	23	54,003.33	1,02,435.33
Total Income		83,375.63	11,59,125.87
Expenses			
Land, material and contract cost	24	-	8,17,870.78
Purchase of plots		27,161.74	20,102.72
Finance costs	25	1,39,432.40	4,60,642.52
Other expenses	26	3,87,944.60	1,65,168.54
		5,54,538.74	14,63,784.56
Loss before tax		(4,71,163.11)	(3,04,658.69)
Tax expense:			
Current tax		-	1,752.77
Deferred tax charge		-	-
Loss for the year		(4,71,163.11)	(3,06,411.46)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:		-	-
Income tax relating to items that will not be reclassified subsequent to profit or loss		-	-
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		(4,71,163.11)	(3,06,411.46)
Earning per equity share (nominal value of Rs. 10)			
- Basic and diluted (Rs.)	30	(6,730.71)	(4,377.18)

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **N S V M & Associates**

Chartered Accountants

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DIN: 00738227

Place: Bengaluru

Date: September 05, 2019

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Statement of changes in equity for the year ended March 31, 2019

A. Equity share capital

	(Rs. in thousands)
	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid	
Balance as at April 1, 2017	700.02
Changes during the year	-
Balance as at the March 31, 2018	700.02
Changes during the year	-
Balance as at March 31, 2019	700.02

B. Other equity

	(Rs. in thousands)			
	Attributable to owners of the company			
	Securities premium	Capital reserve*	Reserves and surplus	
			Retained earnings	Other equity
Balance as at April 1, 2017	11,64,836.45	(6,52,223.80)	(8,11,530.32)	(2,64,674.11)
Premium on redemption of debentures	(11,64,836.45)	-	-	-
Loss for the year	-	-	(3,06,411.46)	-
Balance as at March 31, 2018	-	(6,52,223.80)	(11,17,941.78)	(2,64,674.11)
Balance as at April 1, 2018	-	(6,52,223.80)	(11,17,941.78)	(2,64,674.11)
On account of adoption of IND AS 115 (Refer Note 2.2.1 i)			(8,69,018.10)	-
Loss for the year	-	-	(4,71,163.11)	-
Balance as at March 31, 2019	-	(6,52,223.80)	(24,58,122.99)	(2,64,674.11)

* On March 19, 2015, the Board of directors of the Company passed a resolution to merge into the Company, Swire Investments Private Limited ('SIPL'), its wholly-owned subsidiary. Pursuant to this, on July 14, 2015, the Company filed a Scheme of Amalgamation ('the Scheme') with the Honourable High Court of Karnataka, with an appointed date of April 1, 2015. The scheme was approved by the High Court on August 29, 2017 effective April 1, 2015 and hence the merger has been effected as on April 1, 2015 during the financial year 2016-17.

As per the aforementioned scheme, the assets and liabilities of SIPL have been merged with the Company. Given that SIPL is a wholly-owned subsidiary of the Company there is no consideration payable for the amalgamation of SIPL with the Company and the consequent transfer of the undertaking, properties, assets and liabilities of SIPL to the Company. The difference of the value of the assets over the liabilities of SIPL vested in the Company has been accounted as capital reserves in the Company.

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **N S V M & Associates**

Chartered Accountants

Firm registration number: 010072S

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Nam Estates Private Limited

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Director

DIN: 00738227

Place: Bengaluru

Date: September 05, 2019

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Cash flow statement for the year ended March 31, 2019

	Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from operating activities		
Loss before tax	(4,71,163.11)	(3,04,658.69)
Adjustments:		
Interest income(Fair value adjustments)	(51,686.13)	(99,749.11)
Interest expense	1,39,432.40	4,60,642.52
Interest income	(1,946.40)	(1,348.15)
Profit from redemption of mutual funds	(370.80)	
Operating cash flow before working capital changes	(3,85,734.04)	54,886.57
Changes in working capital		
- (Increase) / decrease in inventories	(8,37,502.98)	5,12,123.43
- (Increase) / decrease in loans	9,94,888.90	31,14,731.33
- (Increase) / decrease in Other non - current & current financial assets	22,782.54	(2,77,994.95)
- (Increase) / decrease in current assets and non current assets	8,95,494.83	(11,06,426.52)
- (Increase) / decrease in trade receivables	(3,05,996.95)	(6,68,381.87)
- Increase / (decrease) in other non-financial liabilities	(1,11,940.41)	11,81,379.59
- Increase / (decrease) in trade payables	2,24,074.15	(42,932.58)
- Increase / (decrease) in other financial liabilities	1,022.02	24,020.75
Cash flow from operationig activities	4,97,088.06	27,91,405.75
Income taxes paid(net of refund)	(5,975.73)	3,520.94
Net cash flow (used in)/ generated from operating activities	4,91,112.33	27,94,926.69
Cash flow from investing activities:		
Interest income	1,912.94	1,246.42
Purchase of Mutual Fund	(40,000.00)	-
Proceeds from Sale of Mutual Fund	40,370.80	-
Purchase of Investment Property	(2,88,673.30)	(5,94,960.53)
Net cash flow from / (used in) investing activities	(2,86,389.56)	(5,93,714.11)
Cash flow from financing activities:		
Repayment of borrowings (Net)	(1,67,434.31)	(3,61,436.94)
Redemption of debentures (including Interest)	-	(11,64,959.96)
Interest expense	(2,08,071.42)	(5,20,417.53)
Net cash flow from /(used in) financing activities	(3,75,505.73)	(20,46,814.43)
Net increase / (decrease) in Cash and bank balances	(1,70,782.96)	1,54,398.15
Cash and bank balances at the begining of the year(refer note 12)	2,35,761.36	81,363.21
Cash and bank balances at the end of the year(refer note 12)	64,978.40	2,35,761.36
Cash and bank balances comprise of:		
Balances with banks		
- in current accounts	20,071.62	32,054.70
- in escrow account	11,975.05	1,72,493.21
Other bank balances		
- in fixed deposits	32,931.73	31,213.45
	64,978.40	2,35,761.36

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **N S V M & Associates**

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Nam Estates Private Limited

D N Sree Hari

Partner

Membership No. 027388

Place: Bengaluru

Date: September 05, 2019

P. R. Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: September 05, 2019

Rajesh Ramchand Bajaj

Director

DIN: 00738227

Place: Bengaluru

Date: September 05, 2019

Nam Estates Private Limited

CIN:U85110KA1995PTC017950

Notes to financial statements for the year ended March 31, 2019**1 Company overview**

Nam Estates Private Limited ('the Company') was incorporated on June 02, 1995. The Company engaged in the business of real estate development of commercial, residential, hospitality, development of township and related activities.

2 Significant accounting policies**2.1 Basis of preparation****2.1.1 Statement of compliance**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, Companies (Indian Accounting Standards) Amendment Rules, 2018 and other relevant provisions of the Act.

2.1.2 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded- off to the nearest thousand, unless otherwise indicated.

2.1.3 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain investments in equity instruments which is measured at fair value.

Items	Measurement basis
Certain financial assets and liabilities	Fair value

2.1.4 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Judgments

Information about judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(i) Classification of assets as investment property or as property, plant and equipment.- Refer Note 2.2.13 (a)

Assumptions and estimation and uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2019 or subsequent year/ years is included in the following notes:

i) Valuation of financial instruments - refer note 39

ii) Non-Recognition of deferred tax asset on carried forward losses and availability of future taxable profit against which tax losses carried forward can be used - Refer Note 28

2.1.5 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between marked participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ☐ Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- ☐ Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- ☐ Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the fair value measurement as a whole at the end of the reporting period.

2.1.6 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when it is:

- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2 Summary of significant accounting policies

2.2.1 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Proceeds from sale of plotted development and constructed property

Ind AS 115 Revenue from Contracts with Customers is mandatorily applicable from reporting period beginning on or after April 1, 2018. Ind AS 115 replaces existing the existing standard on revenue recognition Ind AS 18 ("Revenue recognition") and Ind AS 11 ("Construction Contracts"). The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from sale of plots. The Company has applied the modified retrospective approach to contracts for sale of plots that were not completed as of 1 April 2018 and has given impact of transition to Ind AS 115 by adjusting Rs 869,018.10 thousands in the opening balance of retained earnings as on 1 April 2018. Accordingly the comparatives have not been restated and hence not comparable with previous period figures. Due to the application of Ind AS 115 for the year ended 31 March 2019, revenue from sale of plots is lower by Rs. 423,318.13 thousands and Net loss is higher by Rs.256,100.95 thousands, vis-a-vis the amounts if replaced standards were applicable. The basic and diluted EPS for the year is (Rs.6730.71) instead of (Rs. 3072.23) per share respectively.

Revenue is recognized upon transfer of control of units of plots to customers and on completion of critical obligation as per the customer contract, in an amount that reflects the consideration the Company expects to receive in exchange for those units of plots. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of plotted development, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the units of plots for residential use and on completion of critical obligations as per the customer contract.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred unit of plots.

ii. Recognition of revenue from transfer of assignment rights

Revenue from transfer of assignment rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from transfer of assignment rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

iii. Interest income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

iv. Dividend income

Dividends is recognised when the share holders or unit holder right to receive the payment is established, which is generally when shareholders approve the dividend.

2.2.2 Investment properties

i. Recognition and measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. The cost of the assets not ready for their intended use before such date, are disclosed as Investment property under development.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Investment properties are depreciated on straight-line method over their estimated useful lives. However, where the Management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

ii. Subsequent expenditure

Notes to financial statements for the year ended March 31, 2019

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and the cost of the investment property can be measured reliably.

iii. Depreciation

Based on an independent assessment, the management has estimated the useful lives of the following class of assets. Depreciation is provided on straight line method as per the following useful life of the assets estimated by the management:

Asset	Useful life
Building	5-60 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

iv. Depreciation

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

2.2.3 Inventories

Related to real estate activities

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

i. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.

ii. Finished goods - Plots: Valued at lower of cost and net realisable value.

iii. Land inventory: Valued at lower of cost and net realisable value.

2.2.4 Impairment of assets

Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The Company tests for impairment using the ECL model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime ECL. Life time ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. For financial assets measured at amortised cost, ECL is presented as an allowance which reduces the net carrying amount of the financial asset.

2.2.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through profit or loss.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in P&L.
FVTPL	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Notes to financial statements for the year ended March 31, 2019

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instrument

A financial asset is primarily derecognised when:

- the rights to receive the cash flows from the asset have expired or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.2.5 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with borrowings of funds. Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

2.2.6 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and bank balance consist of cash and bank balances and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities.

2.2.7 Foreign currency

i. Functional currency

The Company's financial statements are presented in INR, which is also the company's functional currency.

ii. Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.2.8 Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in the OCI or in the equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

2.2.9 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

2.2.10 Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.2.11 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.2.12 Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Nam Estates Private Limited

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Notes to financial statements for the year ended March 31, 2019

2.2.13 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Classification of property

The Company determines whether a property is classified as investment property or inventory:

The company is developing a township project containing various type of real estate development. Based on the intention of use, the land property and related development cost have been classified as either investment property, property plant & equipment or inventoried.

Investment property comprises land and buildings (principally offices, commercial and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory property comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Company develops and intends to sell before or on completion of construction/development.

The Company based its assumptions and estimates on parameters available on the reporting period about future developments the above judgements are considered, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.2.14 Recent accounting pronouncements (Standards issued but not yet effective)

Ind AS 116 *Leases* was notified in March 30, 2019 and it replaces Ind AS 17 *Leases*, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of ‘low-value’ assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today’s accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards, if applicable, when they become effective. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its standalone Ind AS financial statements.

Nam Estates Private Limited
Notes to the financial statements for the year ended March 31, 2019

3 Property, plant and equipment

Description	(Rs. in thousands) Tangible, owned Furniture and fixtures
<u>Cost or Deemed Cost</u>	
Balance as at April 1, 2017	3.80
Additions during the year	-
Disposals	-
Balance as at March 31, 2018	3.80
Balance as at April 1, 2018	3.80
Additions during the year	-
Disposals	-
Balance as at March 31, 2019	3.80
<u>Accumulated depreciation</u>	
Balance as at April 1, 2017	3.80
Depreciation for the year	-
Balance as at March 31, 2018	3.80
Balance as at April 1, 2018	3.80
Depreciation for the year	-
Balance as at March 31, 2019	3.80
<u>Carrying amount</u>	
Balance as at March 31, 2018	-
Balance as at March 31, 2019	-

4 Investment property

(Rs. in thousands)

	Freehold land	Total
Cost or deemed cost		
Balance as at 1 April 2017	-	-
Additions during the year (Refer Note (a) below)	1,63,792.25	1,63,792.25
Balance as at 31 March 2018	1,63,792.25	1,63,792.25
Balance as at 1 April 2018	1,63,792.25	1,63,792.25
Additions during the year	8,239.66	8,239.66
Balance as at 31 March 2019	1,72,031.91	1,72,031.91
Accumulated depreciation		
Balance as at 1 April 2017	-	-
Charge for the year	-	-
Balance as at 31 March 2018	-	-
Balance as at 1 April 2018	-	-
Charge for the year	-	-
Balance as at 31 March 2019	-	-
Carrying Amount:		
As at 31 March 2018	1,63,792.25	1,63,792.25
As at 31 March 2019	1,72,031.91	1,72,031.91

(a) Investment property comprises of cost of freehold land which is reclassified during the previous year as investment property.

(Rs. in thousands)

(b) Amounts Recognised in Statement of Profit and Loss for Investment Property	March 31, 2019	March 31, 2018
Income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) generating didn't generate rental income during the period	837.78	702.71
Profit/(loss) arising from investment properties before depreciation and indirect expenses	(837.78)	(702.71)
Less: Depreciation	-	-
Loss Arising from Investment Properties	(837.78)	(702.71)

(c) Determination of Fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

Fair value:	Rs in thousands
As at 31 March 2018	51,53,000
As at 31 March 2019	55,41,000

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The Company has used "Direct Comparison" method and "Discounted cash flow" approach for assessing the fair value of the

The "Direct Comparison Approach" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable.

In the "Discounted Cash Flow" method, the future cash flows from the property are forecasted using precisely stated assumptions. This method allows for the explicit modelling of income associated with the property. These future financial benefits are then discounted to a present day value at an appropriate discount rate.

Para 97 of Ind AS 113 Fair value measurements states that for each class of assets and liabilities not measured at fair value in the balance sheet but for which the fair value is disclosed, an entity shall disclose the information required by paragraph 93(b), (d) and (i). However, the said para states that an entity is not required to provide the quantitative disclosures about significant unobservable inputs used in fair value measurements categorised within Level 3 of the fair value hierarchy required by paragraph 93(d). Therefore, no disclosure in relation to sensitivity analysis of significant unobservable inputs used in fair value measurements of Investment property and Investment property under development (including capital advances) has been provided in these financial statements.

(d) Restriction on realisability

The above said property is placed as collateral security for the secured loan availed from the financial institution by the company and its holding company as well.

Nam Estates Private Limited
Notes to financial statements for the year ended March 31, 2019

5 Investment property under development

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Investment property under development ((refer note (i) below)	7,11,601.92	4,31,168.28
	7,11,601.92	4,31,168.28

i) Investment property under development comprises of infrastructure cost incurred for the development of property.

6 Loans - Non current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
<i>Unsecured, considered Good</i>		
Loans to related parties(Refer Note 35)	-	6,49,072.22
	-	6,49,072.22

7 Other financial assets - Non-current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Deposits	11.00	1,039.16
	11.00	1,039.16

8 Other non-current assets

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Balance with government authorities	-	-
Advance tax, net of provision for tax	29,971.18	23,995.45
Advances paid for purchase of land	1,37,584.32	1,37,584.32
	1,67,555.50	1,61,579.77

9 Inventories(valued at lower of cost and net realizable value)

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Cost of land and infrastructure development	33,81,571.62	14,81,818.95
	33,81,571.62	14,81,818.95

10 Trade receivables

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - unsecured(Refer note no.35)	12,74,715.67	9,68,718.72
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables - credit impaired	-	-
	12,74,715.67	9,68,718.72

11 Loans - current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
<i>Unsecured, considered good</i>		
Loan to related parties(Refer note no.35)	4,43,028.53	7,37,159.08
	4,43,028.53	7,37,159.08

12 Cash and bank balances

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Cash and cash equivalents		
Balances with banks		
- in current accounts	20,071.62	32,054.70
- in escrow account (refer note (i) below)	11,975.05	1,72,493.21
	32,046.67	2,04,547.91
Other bank balances		
- in fixed deposits	32,931.73	31,213.45
	32,931.73	31,213.45
	64,978.40	2,35,761.36

(i) Rs 11,975.05 (March 31, 2018: Rs 1,72,493.21) thousands is held in escrow account with HDFC Limited for repayment of term loans.

Nam Estates Private Limited

Notes to financial statements for the year ended March 31, 2019

13 Other financial assets - current

Particulars	(Rs. in thousands)	
	As at 31 March 2019	As at 31 March 2018
<i>Unsecured, considered Good</i>		
Receivable from related parties(refer note 35)	5,06,241.36	5,27,995.74
Interest accrued on fixed deposits	161.37	127.91
	5,06,402.73	5,28,123.65

14 Other current assets

Particulars	(Rs. in thousands)	
	As at 31 March 2019	As at 31 March 2018
Advance to suppliers	2,97,176.62	3,17,077.35
Unbilled revenue	-	8,68,916.39
Prepaid expenses	209.86	-
Balance with government authorities	39,915.69	46,803.26
	3,37,302.17	12,32,797.00

Nam Estates Private Limited

Notes to financial statements for the year ended March 31, 2019

15 Equity share capital

Particulars	(Rs. in thousands)	
	As at 31 March 2019	As at 31 March 2018
Authorised capital		
200,000 (March 31, 2018: 200,000) equity shares of Rs 10 each	2,000.00	2,000.00
Issued, subscribed and paid up capital		
70,002 (March 31, 2018: 70,002) equity shares of Rs 10 each, fully paid up	700.02	700.02
	700.02	700.02

(i) Equity shareholders holding more than 5 percent equity shares of the Company:

Name of the share holder	March 31, 2019		March 31, 2018	
	No. of shares	% holding	No. of shares	% holding
Embassy Property Developments Private Limited (holding company)	65,742	93.91%	65,742	93.91%
HB Jairaj	-	-	4,260	6.09%
	65,742	93.91%	70,002	100.00%

(ii) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is given below

	March 31, 2019		March 31, 2018	
	No of shares	Amount	No of shares	Amount
Number of equity shares outstanding at the beginning of the year	70,002	700.02	70,002	700.02
Number of equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	70,002	700.02	70,002	700.02

(iii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of share referred to as equity shares having a par value of Rs 10. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

Nam Estates Private Limited
Notes to financial statements for the year ended March 31, 2019

16 Borrowings - non current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
<i>Secured:</i>		
<i>Term Loan:*</i>		
from financial institution (refer note below)	44,65,724.71	44,21,039.75
	44,65,724.71	44,21,039.75

Details of security, repayment and interest of term loans (including current maturities of long - term debt):

(i) HDFC Limited [balance as at 31 March 2019, including current maturities of long-term debt: Rs. 64,81,481.94 Thousand (Previous year: Rs 66,58,254.13 Thousand)].

Tranch 1 Of Rs.73,70,000 thousand

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages
An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.
- 2
- 3 Personal guarantee of director of Holding Company

	(Rs. in thousands)	
Repayment and interest terms	As at 31 March 2019	As at 31 March 2018
Repayable in 60 months and to be settled by December 2020. The loan carries an interest rate of 11.70% p.a linked to HDFC corporate prime lending rate. With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%	62,51,481.94	64,28,254.13

Tranch 2 of Rs.2,30,000 thousand

- 1 Mortgage of piece and parcel of land admeasuring 196.69 acres situated at Heggenahalli & Nagamangala villages
An exclusive charge has been created on the scheduled receivable of sold and unsold units under the documents entered into with the customers of the projects. Scheduled receivable are the receivable/cash flows/revenues including booking amounts arising out of or in connection with or relating to the above projects.
- 2
- 3 Personal guarantee of director of Holding Company

	(Rs. in thousands)	
Repayment and interest terms	As at 31 March 2019	As at 31 March 2018
Repayable in one installment by December 2020. The loan carries an interest rate of 11.80% p.a linked to HDFC corporate prime lending rate. With effect from 1st October, 2018 the corporate prime lending rate stands at 13.30%	2,30,000.00	2,30,000.00

17 Other financial liabilities - non current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Retention money towards project cost	84,061.87	83,039.85
	84,061.87	83,039.85

18 Borrowings -current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Interest accrued and due on term loan		
- to financial institutions	-	68,639.02
	-	68,639.02

Nam Estates Private Limited

Notes to financial statements for the year ended March 31, 2019

19 Trade Payables

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Trade payables to MSME (refer note 33)	11,073.40	4,247.04
Trade payables to other than MSME (refer note 33)	4,39,722.71	2,22,474.92
	4,50,796.11	2,26,721.96

20 Other financial liabilities - current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of long-term debt (Refer note 16)	19,96,134.87	22,08,254.13
	19,96,134.87	22,08,254.13

21 Other non-financial liabilities - current

	(Rs. in thousands)	
Particulars	As at 31 March 2019	As at 31 March 2018
Advance received from customers	21,399.56	16,01,721.40
Deferred revenue	34,01,798.57	-
Statutory payables	13,604.64	15,754.00
	34,36,802.77	16,17,475.40

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Nam Estates Private Limited
Notes to financial statements for the year ended March 31, 2019

22 Revenue from operation

	(Rs. in thousands)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Proceeds from sale of plots	-	10,29,268.15
Other Operating Income	789.99	199.00
	789.99	10,29,467.15

23 Other income

	(Rs. in thousands)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income		
- from IT refund	-	1,338.07
- from fixed deposits	1,946.40	1,348.15
- from related party(refer note 35)	51,686.13	99,749.11
Profit from redemption of mutual funds	370.80	-
	54,003.33	1,02,435.33

24 Land,material and contract cost

	(Rs. in thousands)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Land, material and contract cost	-	8,17,870.78
	-	8,17,870.78

25 Finance cost

	(Rs. in thousands)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense		
- term loan	1,38,099.00	3,69,029.10
- others	1,333.40	9,275.91
- debentures(refer note 35)	-	82,337.51
	1,39,432.40	4,60,642.52

26 Other expenses

	(Rs. in thousands)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Brokerage and commission	17,695.71	17,284.16
Legal and professional fees	10,045.27	32,204.27
Advertisement expenses	25,449.82	31,373.44
Business promotion expenses	74,645.80	48,053.48
Marketing expenses	12,308.93	
Rates and taxes	4,138.48	3,042.18
Incentive	5,762.36	6,416.43
Software and internet usage charges	1,639.55	355.21
Franking charges	635.56	110.95
Foreign exchange loss,net	462.72	551.00
Repairs and maintenance	61,847.92	19,639.01
Contribution to political parties - electoral bonds	1,65,000.00	1,388.18
Travel and conveyance expenses	95.19	419.08
Bank charges	630.31	243.07
Office maintenance	1,483.14	697.88
Interest on TDS/GST	88.47	1,490.01
Miscellaneous expenses	6,015.37	1,631.13
	3,87,944.60	1,65,168.54

Nam Estates Private Limited

Notes to financial statements for the year ended March 31, 2019

27 Contingent liabilities, capital commitments and contingent assets

Capital commitment as at March 31, 2019 is Rs.23,394.93 thousands (March 31, 2018 - Rs. 24,678.61 thousands)

The Company has several cases pending against it towards the title of land acquired by it. Management, based on legal advice obtained and also based on the court rulings (in favour of the Company), believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence no amounts quantified.

The Company has extended mortgage of 196.69 acres of land situated at Heggenahalli and Nagamangala for a comprehensive loan borrowed by its holding Company for various projects executed by its holding Company and charge is created on the receivables in the project Embassy Springs being developed. The loan balance outstanding as on March 31, 2019 is Rs.53,90,000 thousands.

28 Income taxes

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	(Rs. in thousands)	
	Year ended March 31, 2019	Year ended March 31, 2018
Loss before tax	(4,71,163.11)	(3,04,658.69)
Tax at the Indian tax rate of 26% (March 31, 2018: 25.75%)	(1,22,502.41)	(78,449.61)
Effect of:		
Permanent disallowance	80,548.45	1,18,615.45
Deferred tax asset not created on business losses	41,953.96	(38,413.07)
At the effective income tax rate Nil (March 31, 2018: Nil)	-	1,752.77
Income tax expense reported in the statement of profit and loss	-	1,752.77

Unrecognised deferred tax assets

Deferred tax assets have not been recognised on accumulated losses, because it is not probable that sufficient future taxable profit will be available against which the Company can set it off within the time limit prescribed to set off the accumulated business loss as per the Income Tax Act.

With many projects in the pipeline for which development has not yet started, the Company has not recognised Deferred Tax asset as there is no probability to earn enough profits within the restricted time limit of carry forward and set off of losses.

	(Rs. in thousands)	
	March 31, 2019	March 31, 2018
Impact of accumulated tax losses	1,09,878.28	51,045.84
Others	-	14.38
	1,09,878.28	51,060.22

29 Auditors' remuneration including applicable taxes(Included in legal and professional charges)

Particulars	(Rs. in thousands)	
	Year ended March 31, 2019	Year ended March 31, 2018
Statutory audit fees	1,770.00	1,770.00
Tax audit fees	295.00	295.00
Total	2,065.00	2,065.00

30 Earnings/ (loss) per share

The following reflects the profit / (loss) and weighted average number of shares data used in the basic and diluted EPS computation:

i. Reconciliation of earnings used in calculating earnings per share:

Particulars	(Rs. in thousands)	
	Year ended March 31, 2019	Year ended March 31, 2018
Total comprehensive income as per statement of profit and loss	(4,71,163.11)	(3,06,411.46)
Total comprehensive income as per statement of profit and loss	(4,71,163.11)	(3,06,411.46)

ii. Reconciliation of basic and diluted shares used in computing earnings per share

Particulars	(Rs. in thousands)	
	Year ended March 31, 2019	Year ended March 31, 2018
No. of equity shares at the beginning of the year	70,002.00	70,002.00
Add/Less: movement during the year		
No. of equity shares at the end of the year	70,002.00	70,002.00
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share	(6,730.71)	(4,377.18)

31 Details of Projects in progress

Particulars	(Rs. in thousands)
	Year ended March 31, 2018
Project revenue recognised during the year	10,29,268.15
In respect of projects in progress at the year end:	
(a) Aggregate costs incurred and recognised profits (less recognised losses) up to the balance sheet date (from inception of the projects)	19,31,068.79
(b) Amount due from customers to the extent of work done	18,37,635.11
(c) Amount due to customer to the extent of amount received in excess of work done	16,01,721.40

32 The Company carries out real estate development activities and outsources its management/construction/technology assistance requirements and hence does not have any employees on its rolls and does not incur any employee related benefits/ costs.

33 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 (March 31, 2018) has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act is not expected to be material. The Company does not have any interest dues to micro and small enterprises as at March 31, 2019 (March 31, 2018 - Nil), the details of principal payment has been made below.

Particulars	(Rs. in thousands)	
	Year ended March 31, 2019	Year ended March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	11,073.40	4,247.04
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year.

34 Segment reporting

The Company is primarily engaged in the business of real estate development, which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India, which is considered as a single geographical segment.

35 Related parties

(i) Names of related parties and description of relationship:

Enterprises where control exists
Ultimate Holding company
Holding company

JV Holding Private Limited
Embassy Property Developments Private Limited

(ii) Other related parties with whom transactions have taken place during the

1. Enterprises owned or significantly influenced by individuals having substantial voting interest and their relatives

Udhyan Investments Private Limited
Synergy Property Development Services Private Limited
Embassy Services Private Limited
Lounge Hospitality LLP

2. Key management personnel

Rajesh Bajaj
P.R. Ramakrishnan

Nam Estates Private Limited

Notes to financial statements for the year ended March 31, 2019

(iii) Details of related party transactions during the year

Particulars	(Rs. in thousands)	
	Year ended March 31, 2019	Year ended March 31, 2018
Loan given/(refund)		
Embassy Property Developments Private Limited	(9,43,202.77)	(30,12,482.22)
Demand raised for sale of plots		
Udhyaman Investments Private Limited	4,67,486.51	4,27,422.17
Interest Income		
Embassy Property Developments Private Limited	51,686.13	99,749.11
Reimbursement of project cost and expenses		
Udhyaman Investments Private Limited	1,08,984.41	3,88,351.12
Material and contract cost		
Synergy Property Development Services Private Limited	48,147.43	24,904.20
Embassy Services Private Limited	66,398.65	33,154.13
Redemption of debentures including Interest		
Embassy Property Developments Private Limited	-	(11,64,959.96)
Business Promotion		
Lounge Hospitality LLP	7,611.56	-
JV Holdings Private Limited	18,309.02	-
Business Consultancy Fee		
Embassy Property Developments Private Limited	51,496.96	34,481.51
Purchase of rights in Plots		
Udhyaman Investments Private Limited	27,161.74	-
Incentives		
Embassy Property Developments Private Limited	5,762.36	5,317.02
Advertisement Charges		
Embassy Property Developments Private Limited	35,861.74	-
Interest expense		
Embassy Property Developments Private Limited	-	82,337.51

(iv) Amount outstanding as at the balance sheet date

Particulars	(Rs. in thousands)	
	March 31, 2019	March 31, 2018
Financial assets - non current		
Embassy Property Developments Private Limited	-	6,49,072.22
Financial assets - current		
Embassy Property Developments Private Limited	4,43,028.53	7,37,159.08
Financial assets - current		
Udhyaman Investments Private Limited	5,06,241.36	5,27,995.74
Trade receivables		
Udhyaman Investments Private Limited	7,59,253.93	3,32,422.17
Trade payables		
Synergy Property Development Services Private Limited	46,536.98	8,823.60
Embassy Services Private Limited	70,318.27	39,108.41
Lounge Hospitality LLP	5,097.89	-
JV Holdings Private Limited	15,991.15	-

Nam Estates Private Limited**Notes to financial statements for the year ended March 31, 2019****36 Expenditure on corporate social responsibility activities**

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended March 31, 2019.

37 Impact of applying IND AS 115

The Company has applied the modified retrospective approach to its real estate residential contracts that were not completed as of 1 April 2018 and has given impact of adoption of Ind AS 115 by debiting to retained earnings as at the said date by Rs. 869,018 thousands. Accordingly the comparatives have not been restated and hence, the current year figures are not comparable to the previous year figures for

On account of adoption of Ind AS 115, the following accounts have an impact on their opening balance as at 1 April 2018:

Particulars	(Rs. in thousands)
A) Retained Earnings	
As at 31 March, 2018	(11,17,941.78)
Revenue on account of adoption of Ind AS 115	(19,31,267.79)
Cost on account of adoption of Ind AS 115	10,62,249.69
As at 1st April, 2018	(19,86,959.88)
B) Inventories	
As at 31 March, 2018	14,81,818.95
Cost on account of adoption of Ind AS 115	10,62,249.69
As at 1st April, 2018	25,44,068.64
C) Deferred Revenue	
As at 31 March, 2018	16,01,721.40
On account of adoption of Ind AS 115	19,31,267.79
As at 1st April, 2018	35,32,989.19

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38 Disclosure on financial assets and financial liabilities

Particulars	(Rs. in thousands)	
	Carrying value March 31, 2019	Carrying value March 31, 2018
Financial assets measured at amortised cost:		
Loans (current and non-current)	4,43,028.53	13,86,231.30
Trade receivables	12,74,715.67	9,68,718.72
Fixed deposits with banks	32,931.73	31,213.45
Cash and cash equivalents	32,046.67	2,04,547.91
Other financial assets (current and non-current)	5,06,413.73	5,29,162.81
Total	22,89,136.33	31,19,874.19
Financial liabilities measured at amortised cost:		
Borrowings(current and non-current)	44,65,724.71	44,89,678.77
Trade payable	4,50,796.11	2,26,721.96
Other financial liabilities (Current and non current)	20,80,196.74	22,91,293.98
Total	69,96,717.56	70,07,694.71

39 Financial instruments - risk management

The Company's financial assets majorly comprise of loans to related parties, other receivable from related parties, trade receivables and cash & cash equivalents. The Company's financial liabilities majorly comprises of borrowings, trade payables.

The Company is exposed to credit risk, liquidity risk and interest rate risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions affecting business operations and the Company's activities.

(a) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or loans given leading to financial loss. The Company's exposure to credit risk arises from its operating and financing activities. The credit risk arises primarily from loans given.

In order to mitigate the credit risk on receivables, the Company does business only with recognised third parties thereby reducing the credit risk. For other financial assets (including loans, cash and cash equivalents), the Company minimises credit risk by dealing exclusively with related parties and high credit rating counterparties.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has a dedicated treasury management team which monitors on a daily basis the fund positions/requirements of the Company. The treasury management team plans the cash flows of the Company by planning and identifying future mismatches in funds availability and reports the planned & current liquidity position to the top management and board of directors of the Company.

(c) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

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Nam Estates Private Limited

Notes to financial statements for the year ended March 31, 2019

(d) Exposure to interest rate risk:

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	(Rs. in thousands)	
	March 31, 2019	March 31, 2018
Fixed-rate instruments:		
Financial assets	32,931.73	31,213.45
Financial liabilities	-	-
Total	32,931.73	31,213.45

Particulars	(Rs. in thousands)	
	March 31, 2019	March 31, 2018
Variable instruments:		
Financial assets	-	-
Financial liabilities	64,61,859.58	66,97,932.90
Total	64,61,859.58	66,97,932.90

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for variable rate instruments

A reasonably possible change of 1% in interest rates at the reporting date would have increased/ (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	(Rs. in thousands)			
	Profit or loss		Equity net of tax	
	1% increase	1% decrease	1% increase	1% decrease
Loans & Borrowings				
31 March 2019				
Variable rate instruments	4,85,854.10	-4,85,854.10	3,59,532.03	-3,59,532.03
31 March 2018				
Variable rate instruments	5,03,603.98	-5,03,603.98	4,11,024.48	-4,11,024.48

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Nam Estates Private Limited
Notes to financial statements for the year ended March 31, 2019
Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows:

	(Rs. in thousands)			
March 31, 2019	Total	Less than 1 year	1 to 5 years	more than 5 years
Financial assets				
Loans	4,43,028.53	4,43,028.53	-	-
Trade receivable	12,74,715.67	12,74,715.67	-	-
Fixed deposits with banks	32,931.73	32,931.73	-	-
Cash and cash equivalents	32,046.67	32,046.67	-	-
Other financial assets	5,06,413.73	5,06,402.73	11.00	-
	22,89,136.33	22,89,125.33	11.00	-

	(Rs. in thousands)			
March 31, 2019	Total	Less than 1 year	1 to 5 years	more than 5 years
Non-derivative financial liabilities				
Borrowings	44,65,724.71	-	44,65,724.71	-
Trade payable	4,50,796.11	4,50,796.11	-	-
Other financial liabilities (current and non current)	20,80,196.74	19,96,134.87	84,061.87	-
	69,96,717.56	24,46,930.98	45,49,786.58	-

	(Rs. in thousands)			
March 31, 2018	Total	Less than 1 year	1 to 5 years	more than 5 years
Financial assets				
Loans	13,86,231.30	7,37,159.08	6,49,072.22	-
Trade receivable	9,68,718.72	9,68,718.72	-	-
Fixed deposits with banks	31,213.45	31,213.45	-	-
Cash and bank balances	2,04,547.91	2,04,547.91	-	-
Other financial assets	5,29,162.81	5,28,123.65	1,039.16	-
	31,19,874.19	24,69,762.81	6,50,111.38	-

	(Rs. in thousands)			
March 31, 2018	Total	Less than 1 year	1 to 5 years	more than 5 years
Non-derivative financial liabilities				
Borrowings	44,89,678.77	68,639.02	44,21,039.75	-
Trade payable	2,26,721.96	2,26,721.96	-	-
Other financial liabilities (current and non current)	22,91,293.98	22,08,254.13	83,039.85	-
	70,07,694.71	25,03,615.11	45,04,079.60	-

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages the capital structure based on an adequate gearing which yields higher share holder value which is driven by the business requirements for capital expenditure and cash flow requirements for operations and plans of business expansion and consolidation. Accordingly based on the relative gearing and effective operating cash flows generated, the Company manages the capital either by raising required funds through debt, equity or through payment of dividends.

The capital and net debt position of the company is as follows:

	(Rs. in thousands)	
	March 31, 2019	March 31, 2018
Borrowings - Net debt	44,65,724.71	44,89,678.77
Total equity	(33,74,320.88)	(20,34,139.67)
Capital and net debt	10,91,403.83	24,55,539.10

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Nam Estates Private Limited

D N Sree Hari

Partner

Membership No. 027388

P. R. Ramakrishnan

Director

DIN: 00055416

Rajesh Ramchand Bajaj

Director

DIN: 00738227

Place: Bengaluru

Date: September 05, 2019

Place: Bengaluru

Date: September 05, 2019

Place: Bengaluru

Date: September 05, 2019

Independent Auditor's Review Report

To the Board of Directors of Nam Estates Private Limited

Report on Unaudited Special Purpose Interim Consolidated Financial Statements

1. We have reviewed the accompanying Unaudited Special Purpose Interim Consolidated Financial Statements of Nam Estates Private Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and its joint ventures which comprise the Unaudited Special Purpose Interim Consolidated Balance Sheet as at December 31, 2021, the Unaudited Special Purpose Interim Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for nine months period ended on that date and other relevant explanatory notes and information (hereinafter referred to as the "Unaudited Special Purpose Interim Consolidated Financial Statements"). The Unaudited Special Purpose Interim Consolidated financial statements have been prepared by the management in accordance with the basis of preparation as stipulated in Note 2 of the Unaudited Special Purpose Interim Consolidated financial statements.
2. This Unaudited Special Purpose Interim Consolidated Financial Statements, which is the responsibility of the Holding Company's management, and which is approved by the Holding Company's Board of Directors, has been prepared by the Holding Company's management in accordance with the basis of preparation as stipulated in Note 2 of the Unaudited Special Purpose Interim Consolidated financial statements, and applicable Indian Accounting Standards ("IND-AS") issued by the Institute of Chartered Accountants of India (ICAI) and other recognised accounting practices and policies in India. The Unaudited Special Purpose Interim Consolidated Financial Statements are the responsibility of the Holding Company's management. Our responsibility is to express a conclusion on the Unaudited Special Purpose Interim Consolidated Financial Statements based on our review.

Scope of Review

3. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Unaudited Special Purpose Interim Consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain

assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. The Unaudited Interim Consolidated Financial Statement includes the financial statements of the following entities

Embassy Infra Developers Private Limited	Subsidiary
Embassy Orange Developers Private Limited	Subsidiary
Embassy Realty Ventures Private Limited	Subsidiary
Vigor Developments Private Limited	Subsidiary
Embassy Columbia Pacific ASL Private Limited	Subsidiary
Embassy One Commercial Property Development Private Limited	Subsidiary
Logus Projects Private Limited	Subsidiary
Birch Real Estate Private Limited	Subsidiary of Embassy Realty Private Limited
Summit Developments Private Limited	Subsidiary
Sapphire Realtors Private Limited	Subsidiary of Summit Developments Private Limited
Embassy East Business Parks Private Limited	Subsidiary
Grove Ventures	Investment in Partnership Firm (Subsidiary)
RGE Constructions and Development Private Limited	Subsidiary
Ardor Investment Private Limited	Subsidiary
Basal Projects Private Limited	Subsidiary of Vigor Developments Private Limited
Embassy Investment MGT LLP	Investment in Partnership LLP (Joint Venture)
Embassy One Developers Private Limited	Joint Venture

Opinion

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Special Purpose Interim Consolidated Financial Statements have not been prepared in all material respects by the management in accordance with the basis of preparation as stipulated in Note 2 of the Unaudited Special Purpose Interim Consolidated financial statements and applicable Indian accounting standards issued by Institute of Chartered Accountants of India (ICAI) and other recognized accounting practices and policies in India.

Emphasis of Matter

6. In respect of the Holding Company and its subsidiary Embassy East Business Parks Private Limited, we draw attention to Note 3(a) to the Unaudited Special Purpose Interim Consolidated Financial Statements, which details the pending litigation with respect to Embassy East Business Parks Private Limited (erstwhile known as Concord India Private Limited). Our opinion is not modified in the respect of this matter.
7. In respect of Summit Developments Private Limited (a subsidiary of the Holding Company), we draw attention to Note 4 of the Unaudited Special Purpose Interim Consolidated Financial Statements, which describes the effects on the Unaudited Special Purpose Interim Consolidated Financial Statements due to the event of default notice served by the Compulsory Convertible Debentures (CCD) holders issued by Summit Developments Private Limited. Our opinion is not qualified in the respect of this matter.

Other matters

8. We did not audit the financial statements of ten subsidiary entities, whose financial statements reflect total assets of Rs. 23,956.77 millions (before consolidation adjustments) as at December 31, 2021, Total Revenues of Rs. 318.76 millions (before consolidation adjustments) and net loss of Rs. (293.67) millions for the year ended on that date, as considered in the unaudited special purpose interim consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. (164.21) millions for the year ended December 31, 2021, as considered in the unaudited special purpose interim consolidated financial statements in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the unaudited interim consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the reports of the other auditors.

Basis of Preparation

9. Without modifying our opinion, we draw attention to note 2 to the Unaudited Special Purpose Interim Consolidated Financial Statements, which describes the basis of preparation of the Unaudited Special Purpose Interim Consolidated Financial Statements.

Restriction to use

10. This review report is issued at the request of the management of the Holding Company for use by them in the process of placement of equity shares of Rs 2 in an institutional placement in India to be issued by Indiabulls Real Estate Private Limited. These Unaudited Special Purpose Interim Consolidated Financial Statements should not be used for any other purpose without our prior written consent.

For NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No:027388

UDIN: 22027388AFKXRS8495

Place: Bengaluru

Date: 23rd March 2022

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Special Purpose Interim Consolidated balance sheet
(all amounts in ₹ millions unless otherwise stated)

	As at December 31, 2021	As at March 31, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	140.81	51.86
Intangible assets	0.04	0.74
Investment property	14,765.05	14,786.52
Investment property under development	6,183.53	6,177.78
Goodwill on consolidation	14.26	14.15
Investment in joint ventures and associates	1,341.40	0.10
Financial assets		
Other Investments	9,950.12	5,126.47
Loans	47.80	46.25
Other financial assets	5,681.49	1,264.78
Non-current tax assets (net)	79.68	73.88
Other non-current assets	34,484.65	33,753.31
Total non-current assets	72,688.83	61,295.84
Current assets		
Inventories	36,260.91	32,111.11
Financial assets		
Trade receivables	2,351.65	2,203.19
Cash and cash equivalents	2,909.90	360.48
Bank balances other than cash and cash equivalent	443.87	11.70
Loans	1,598.94	1,062.02
Other financial assets	720.05	796.20
Other current assets	1,564.19	1,162.11
Total current assets	45,849.51	37,706.81
Assets held for sale	-	-
Total assets	1,18,538.34	99,002.65
EQUITY AND LIABILITIES		
Equity		
Equity share capital	3,998.11	0.70
Other equity	4,555.22	6,290.46
Equity attributable to equity holders of the Holding Company	8,553.34	6,291.16
Non-controlling interest	6,459.53	6,728.13
Total equity	15,012.87	13,019.29
Non-current liabilities		
Deferred tax liability	4,161.80	4,129.63
Financial liabilities		
Borrowings	47,168.68	16,285.79
Other financial liabilities	412.13	471.99
Provisions	24.03	22.05
Other non current liabilities	11.71	0.66
Total non-current liabilities	51,778.35	20,910.12
Current liabilities		
Financial liabilities		
Borrowings	9,160.09	19,502.52
Trade Payables		
Dues to micro, small and medium enterprises	250.66	327.70
Dues to parties other than micro, small and medium enterprises	1,857.59	1,983.23
Other financial liabilities	23,155.66	27,935.30
Provisions	4.47	2.24
Other non financial liabilities	17,317.13	15,322.25
Current Tax Liabilities (Net)	1.52	-
Total current liabilities	51,747.12	65,073.23
Total liabilities	1,03,525.47	85,983.35
Total equity and liabilities	1,18,538.34	99,002.65

As per our report of even date attached
for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Nam Estates Private Limited

D N Sree Hari
Partner
Membership No. 027388
Place: Bengaluru
Date : March 21, 2022

P R Ramakrishnan **Rajesh Bajaj**
Director Director
DIN: 00055416 DIN: 00738227
Place: Bengaluru Place: Bengaluru
Date : March 21, 2022 Date : March 21, 2022

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Special Purpose Interim Consolidated statement of profit and loss

(all amounts in ₹ millions unless otherwise stated)

	Period ended December 31, 2021	Year ended March 31, 2021
Income		
Revenue from operations	2,153.82	2,503.21
Other income	61.35	331.84
Total income	2,215.17	2,835.05
Expenses		
Land, material and contract cost	1,959.92	2,112.27
Employee benefit expense	186.40	187.39
Other expenses	742.11	7,439.82
	2,888.43	9,739.49
Earnings before finance costs, depreciation, amortization and tax	(673.26)	(6,904.43)
Finance costs	3,886.88	5,387.81
Depreciation and amortization	30.49	31.37
Profit/(loss) before exceptional items	(4,590.63)	(12,323.61)
Exceptional items	-	343.35
Profit/(loss) before tax	(4,590.63)	(12,666.96)
Tax expense:		
Current tax	1.89	-
Tax adjustments relating to previous year	(3.16)	(9.36)
Deferred tax	(564.39)	(1,448.41)
Profit/(loss) after tax before share of associate/ joint venture net profit	(4,024.97)	(11,209.19)
Share of net profit/(loss) in associates and joint ventures	(164.21)	(1.47)
Profit/(loss) after share of associate/ joint venture net profit	(4,189.18)	(11,210.66)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit(liability)/asset	-	-
Fair value of investments in equity instruments	4,823.63	2,549.05
Income tax relating to items that will not be reclassified subsequent to profit or loss	(596.56)	(296.90)
Other comprehensive income for the year, net of tax	4,227.07	2,252.15
Total comprehensive income/ (loss) for the year	37.89	(8,958.51)
Profit/(loss) for the year, net of tax attributable to :		
Equity holders of the Company	(3,920.59)	(11,072.16)
Non-controlling interest	(268.60)	(138.50)
Total comprehensive income for the year, net of tax attributable to:		
Equity holders of the Company	306.49	(8,820.01)
Non-controlling interest	(268.60)	(138.50)
Earnings per equity share:		
Equity shares of par value of ₹ 10 each		
Basic (₹ per share)	(9.21)	(27.69)
Diluted (₹ per share)	(9.21)	(27.69)

As per our report of even date attached

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Nam Estates Private Limited

D N Sree Hari

Partner

Membership No. 027388

Place: Bengaluru

Date : March 21, 2022

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date : March 21, 2022

Rajesh Bajaj

Director

DIN: 00738227

Place: Bengaluru

Date : March 21, 2022

1 Overview of the Group

The special purpose consolidated financial statements comprise financial statements of NAM Estates Private Limited ('the Company', 'the Parent Company' or 'Holding Company') together with its subsidiaries (collectively termed as 'the Group') and joint ventures (collectively termed as the 'Consolidated Entities') for the period ended December 31, 2021. The Holding Company was incorporated on June 02, 1995. The Group is engaged in the business of real estate development of commercial, residential, hospitality ,development of township and related activities.

2 Basis of preparation of special purpose consolidated financial statements

The Holding Company had not presented its consolidated interim financial statements for the period ended December 31, 2021, as the Company is not statutorily required to present the same for any compliance. These special purpose consolidated interim financial statements have been prepared to be presented in the private placement document, for the proposed fund raise by Indiabulls Real Estate Limited. This financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The comparative information as required by Ind AS 34 have not been presented. Selected notes have been included that are significant for the understanding of the changes in the Group's financial position and performance since the last annual financial statements, wherever applicable.

The Group's financial statements have been prepared on a going concern basis. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on the market value of the underlying inventory and Investment Properties held by the Group.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Group was unable to continue as a going concern.

2.01 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Group's functional currency. All the amounts have been rounded- off to the nearest thousand, unless otherwise indicated.

2.02 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain investments in equity instruments which is measured at fair value.

Items	Measurement basis
Certain financial assets and liabilities	Fair value

2.03 Use of estimates and judgements

The preparation of financial statements in conformity with Indian Accounting Standards("IND AS") requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The significant accounting policies adopted in the preparation of these Special Purpose Interim financial statements has been consistently adopted from the previous audited financials statements.

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3 Contingent liabilities, capital commitments and contingent assets(to the extent not provided for)

Particulars	Period ended December 31, 2021	Year ended March 31, 2021
Contingent liabilities*		
Outstanding dues to MSME (refer note (b) below)	-	-
Income tax matters (refer note (c) below)	-	-
Service tax matters	28.86	28.86
Others:		
The Group has given its leasehold land and other assets and corporate guarantees' an exclusive security for loans taken by Embassy Property Developments Private Limited, Embassy Inn Private Limited and LJ-Victoria Properties Private Limited. The outstanding value of loan is :	11,334.37	4,715.80
Liability regarding the Pay order towards BWSSB for the NOC and treated water fees	9.25	-
Capital and other commitments	-	-
Estimated specific committed cost towards its capital expenditure (net of advances) and not provided for	223.75	872.02
Commitment for joint development - refundable deposit	1,216.00	950.00
Stamp duty and registration charges for assets transferred under the Scheme of Arrangement (refer note (e) below)	-	-

Other disputes

The Group has several cases pending against it towards the title of land acquired by it. Management, based on legal advice obtained and also based on the court rulings (in favour of the Group), believe that the title to the land held by it is good and marketable. The future expected cash outflow out of the above pending cases/litigations cannot be ascertained, hence no amounts has been quantified.

- (a) A writ petition has been filed by certain parties against the Embassy East Business Parks Private Limited (previously known as Concord India Private Limited) ("EEBPPL") (a subsidiary entity of the Company) and other respondents including KIADB and Embassy Property Developments Private Limited claiming ownership to certain shareholding of EEBPPL. Further, the petitioners have also alleged that EEBPPL and other respondents have borrowed funds against the leasehold land held by EEBPPL not in line with the terms and conditions of the lease cum sale agreement with KIADB.

The Holding Company has investments of ₹ 25,756.49 million (as at 31 March, 2021 : ₹ 22,503.15 million) in subsidiaries, joint ventures and associates (as on standalone basis), which includes a sum of ₹ 7,014.94 millions, representing shares in EEBPPL. The shares in EEBPPL has arisen under a scheme of demerger with Embassy Property Developments Private Limited approved by the Regional Director ("RD"), South East Region, on August 04, 2021. The value of the shares has been fair valued as per Ind AS 103 Business Combinations as on April 01, 2020.

On October 29, 2021, the Hon'ble Court had issued an interim order directing EEBPPL not to create any further interest in the Schedule Property, and directed the KIADB not to issue NOCs for creating any further mortgages on the Schedule Property.

As per the legal opinion obtained by the management, the Group is of the view that the writ petitions filed by the petitioners do not have any merit as they are seeking to resolve a private dispute through the means of a writ petition. Further the Group based on the legal opinion obtained is of the view that the legal proceeding shall not have adverse effect on ownership or possession of the leasehold land allotted by the KIADB.

- (b) The Group has a system for maintenance of documents and other relevant information in respect of amounts due by it to parties who are registered as micro and small enterprises. As at 31 December 2021, the amounts due to micro and small enterprises is ₹ 250.66 millions (As at 31 March, 2021 ₹ 327.70 million). As per the MSME Act 2006 Section 16, Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank. In this case, the management contends that the creditors has not raised any interest demand yet and the Group has not paid interest during the year, and hence the interest accrued under section 16 of the MSME Act is not provided for.
- (c) The Income Tax department has launched the proceedings u/s 276B against the Group and the principle officer of the group entity in respect of defaults in payment of Tax deducted at source. The Group is contesting the proceedings initiated before the Honourable High court of Karnataka. The quantification of financial default is not ascertainable pending final judgement at this point of time. Hence the amount couldn't be quantified at the balance sheet date and not provided for.
- (d) The Group had made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bangalore. The Group had made an advance payment of ₹ 1,217.49 millions in earlier years in accordance with the demand request raised by KIADB. The State government has issued a notification on 28 February 2018 declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of ₹ 728.78 millions on 13 January 2021 as final compensation to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Group. The Group has paid the said amount during the period ended 31 December 2021.

- (e) The Group is the process of transferring title of the assets and liabilities under the scheme of demerger as on the reporting date. The amount of charges to be paid has not yet been crystallised
- (f) The Group has entered into a Joint Venture Agreement with the holding company, CP Senior Housing (India) LLC and Columbia Pacific Communities Private Limited. The subsidiary will acquire land from holding company on which they will develop and manage senior living project in the name 'Serene'. The Joint Venture Agreement has been executed on 2 December 2021. Other commercials pertaining to the project has not been decided between the parties yet and hence no amount has been disclosed in Capital Commitment for the reporting period.

4 Event of Default under the provisions of the Securities Subscription and Shareholders Agreement

During the year ended March 31, 2021, the CCD holders (CCD issued by one of subsidiary entities, Summit Developments Private Limited) have issued an 'event of default' notice under the provisions of the Securities Subscription and Shareholders Agreement (SSSHA) dated August 17, 2011. As per the terms of the SSSHA, upon the occurrence of an event of default, the debenture holders will be entitled to convert the debentures into equity shares such that it represents 51% of the share capital of one of the subsidiary Company, Summit Developments Private Limited

Subsequently, the subsidiary company, Embassy Property Development Private Limited (EPDPL) and the CCD holders have entered into a Securities Purchase Agreement (SPA) whereby EPDPL will buy out the CCD's for an agreed consideration. According to the terms of the SPA, the purchase of the CCDs was to be completed by 31st March 2021 (Closing date). However, the CCD holders issued a NOC towards the Demerger scheme, whereby they have stated the Closing date or the Long Stop Date shall stand extended to 31 August 2021.

Consequent to the Long Stop Date, the CCD holders have intimated the management of the subsidiary Company proposing a further extension of the "Closing date" and a revision of the previously agreed consideration. The Closing date is proposed to be extended up to 31 March 2022 and the consideration is under the process of negotiation between the Parties to the SPA. Due to this, the revised value cannot be rigidly determined and hence the effect of any variation in the value has not been given in the Special Purpose Interim consolidated financial statements as on December 31, 2021.

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Notes to special purpose interim consolidated financial statements for the period ended December 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

5 Investment in subsidiaries, joint ventures and associates

a) Investment in subsidiaries (Entities in which control exists)

Particulars	Country of incorporation	Percentage of holding As at December 31, 2021	Percentage of holding As at March 31, 2021
Embassy Infra Developers Private Limited	India	99.99%	99.99%
Embassy Orange Developers Private Limited	India	99.99%	99.99%
Embassy Realty Ventures Private Limited	India	99.99%	99.99%
Embassy One Commercial Property Developments Private Limited (refer note below)	India	99.99%	99.99%
Summit Developments Private Limited (refer note below)	India	99.00%	99.00%
Embassy East Business Parks Private Limited (refer note below)	India	51.00%	51.00%
RGE Constructions and Developments Private Limited (refer note below)	India	77.72%	77.72%
Saphire Realtors Private Limited	India	99.00%	99.00%
Grove Ventures (Investment in Partnership Firm) (refer note below)	India	99.00%	99.00%
Ardor Projects Private Limited	India	99.99%	-
Vigor Developments Private Limited	India	99.99%	-
Embassy-Columbia Pacific ASL Private Limited	India	99.99%	-
Logus Projects Private Limited	India	99.99%	-
Birch Real Estate Private Limited	India	99.99%	-
Basal Projects Private Limited	India	99.99%	-

Note : The Investments in the said entities are held by the Holding Company with effect from April 01, 2020 demerged to the Holding Company under the Scheme of Arrangement entered with Embassy Property Developments Private Limited.

b) Investment in joint ventures

Particulars	Country of incorporation	Percentage of holding As at December 31, 2021	Percentage of holding As at March 31, 2021
Embassy Investment MGT Services LLP	India	99%	99%
Embassy One Developers Private Limited	India	45%	-

c) Particulars of partners of the partnership firm, capital contribution and the profit sharing ratio are as follows :

Particulars	Name of Partners	Share of Profit	Capital
Embassy Investment MGT Services LLP	NAM Estates Private Limited	99%	49.60
	Aditya Virwani	1%	0.50
Grove Ventures	NAM Estates Private Limited	99%	99.00
	Embassy International Riding School Private Limited (erstwhile known as Embassy Projects Private Limited)	1%	1.00

Nam Estates Private Limited
CIN:U85110KA1995PTC017950

Notes to special purpose interim consolidated financial statements for the period ended December 31, 2021 (continued)

(all amounts in ₹ millions unless otherwise stated)

6 Business Transfer Agreement with Udhyan Investments Private Limited ('UIPL')

The Holding Company has entered into a business transfer agreement during the period ended December 31, 2021 with Udhyan Investments Private Limited (UIPL) for transfer of certain specified assets and liabilities as envisioned in the agreement. The Holding Company has recognised the effect of the Business transfer agreement on August 10, 2021 and accounted the assets and liabilities taken over at fair value in accordance with Ind AS 103 Business Combination. The difference in the fair value of the net assets of the assets and liabilities transferred and the consideration issued, is recognised as capital reserve. Any inter-company balances between the IPL and the Holding Company relating to assets transferred, if any, in the books of the Holding Company shall stand cancelled. The Holding Company is in the process of transferring title of the assets and liabilities under the agreement as on the reporting date

The summary of effect of the agreement is as under:

Particulars	Carrying Value of the Assets and Liabilities in books of IPL	Fair Value of the Assets and Liabilities as on the date of transfer
Assets transferred and vested on demerger		
Inventories	3,703.77	6,013.28
Investment in Compulsorily Convertible Debentures for Embassy Infra Developers Private Limited	1,107.67	1,077.75
Trade receivables	282.55	282.55
Other assets	148.57	148.57
	5,242.56	7,522.15
Liabilities transferred and vested on demerger		
Borrowings	(1,551.57)	(1,551.57)
Trade payables	(537.68)	(537.68)
Provision for onerous losses	(1,047.58)	(1,047.58)
Deferred Revenue	(1,634.39)	(1,634.39)
	(4,771.22)	(4,771.22)
Payable to Udhyan Investments Private Limited		(5.00)
Capital Reserve	471.33	2,745.92

7 Scheme of Arrangement with Indiabulls Real Estate Limited (IBREL)

The Board of Directors of the Holding Company in its meeting held on August 18, 2020 have approved the Scheme of Arrangement ('Scheme') amongst the Company, Embassy One Commercial Property Developments Private Limited and Indiabulls Real Estate Limited under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme provides for amalgamation of the Holding Company, Embassy One Commercial Property Developments Private Limited into Indiabulls Real Estate Limited and the Holding Company has filed an application with the National Company Law Tribunal (Bengaluru Bench) for the approval of the Scheme.

8 Related party transactions

(i) Names of related parties where control exists

Ultimate Holding company	JV Holding Private Limited
Investment in partnership firm / consortium/Joint venture	Embassy Investment MGT Services LLP Embassy One Developers Private Limited

(ii) Other related parties with whom transactions have taken place during the year

1. Enterprises owned or significantly influenced by individuals having substantial voting interest and their relatives	Udhyaman Investments Private Limited Embassy Services Private Limited Embassy Property Developments Private Limited Lounge Hospitality LLP Paledium Security Services LLP Collaborative Workspace Consultants LLP Technique Control Facility Management Private Limited We Work India Management Private Limited OMR Investments LLP Embassy International Riding School Private Limited Embassy Interiors Private Limited Embassy Real Estate Developments and Services Private Limited Southern Paradise Stud and Development Farms Private Limited LJ-Victoria Properties Private Limited
2. Enterprises owned or significantly influenced by holding or ultimate holding company	Babbler Marketing Private Limited Bangalore Paints Private Limited Quadron Business Parks Private Limited
3. Key management personnel/Directors of holding company	Rajesh Ramchand Bajaj P.R. Ramakrishnan Narpat Singh Choraria Karan Virwani (w.e.f 18/12/2020) Aditya Virwani (w.e.f 18/12/2020)
4. Relatives of directors of holding company	Manisha Rajesh Bajaj Anmol Rajesh Bajaj

(iii) Details of related party transactions during the year

Particulars		For the period ended December 31, 2021	For the year ended March 31, 2021
Proceeds from sale of plots	Udhyaman Investments Private Limited	31.38	70.16
	Manisha Rajesh Bajaj	-	52.00
	Anmol Rajesh Bajaj	-	52.00
	Rajesh Bajaj	-	16.64
Brokerage income	Narpat Singh Choraria	-	0.55
Guarantee fee income	Embassy Property Developments Private Limited	0.86	18.59
	Embassy Inn Private Limited	4.40	-
	LJ-Victoria Properties Private Limited	2.14	-
Other operating income	Lounge Hospitality LLP	14.43	9.49
Facility rental income	Embassy International Riding School Private Limited	0.38	0.50
Interest Income	Embassy Property Developments Private Limited	13.49	83.29
Legal and professional fees	JV Holdings Private Limited	-	-
	Lounge Hospitality LLP	57.41	41.42
	Embassy Property Developments Private Limited	0.10	-
Business promotion and Advertisement Charges	Lounge Hospitality LLP	19.31	10.85
	JV Holdings Private Limited	14.84	4.78
Software Charges/(IT & Hardware)	Embassy Property Developments Private Limited	20.26	-

(iii) Details of related party transactions during the year (continued)

Particulars		For the period ended December 31, 2021	For the year ended March 31, 2021
Repairs and maintenance	Embassy Services Private Limited	231.80	160.67
	Embassy Property Developments Private Limited	5.65	-
	Technique Control Facility Management Private Limited	1.13	1.91
	Embassy Interiors Private Limited	-	0.43
	Lounge Hospitality LLP	-	32.92
Security Charges	Paledium Security Services LLP	-	2.07
Project Cost	Babbler Marketing Private Limited	-	39.50
	Collaborative Workspace Consultants LLP	1.55	2.07
	Embassy Property Developments Private Limited	-	10.46
Rent	Embassy Property Developments Private Limited	19.26	-
Guarantee expense	Embassy Property Developments Private Limited	22.28	-
	JV Holdings Private Limited	5.87	-
	Embassy Property Developments Private Limited	10.44	-
	OMR Investments LLP	5.87	-
	Udhyaman Investments Private Limited	10.44	-
Reimbursement of Insurance Charges	Embassy Office Parks Management Private Limited	0.03	-
Other reimbursements	Embassy Property Developments Private Limited	51.71	17.14
	We Work India Management Private Limited	-	0.02
	LJ-Victoria Properties Private Limited	1.03	-
	Embassy Real Estate Developments Private Limited	-	7.50
	Embassy Office Parks Management Private Limited	0.96	-
	Quadron Business Parks Private Limited	0.01	-
	JV Holdings Private Limited	-	0.09
Purchase of Investments	Embassy Inn Private Limited (purchase of stake in Embassy One Developers Private Limited - Equity shares and all series of Compulsorily convertible debentures)	1,443.55	-
	OMR Investments LLP (purchase of 68,22,419 compulsorily convertible debentures)	682.24	-
Receipt of rights in apartments	Udhyaman Investments Private Limited	48.59	-
	OMR Investments LLP	-	1,682.90
Advance from Customer	Manisha Rajesh Bajaj	0.30	-
Corporate Guarantee Received	Embassy Property Developments Private Limited	-	4,250.00
Issuance of Compulsorily Convertible Debentures	OMR Investments LLP	682.24	1,789.91
Contribution to Partner's Capital Account	Embassy Investment Management Services LLP	49.50	-
Contribution to Partner's Current Account	Embassy Investment Management Services LLP	18.00	-
Loan given/(repaid)	Embassy Property Developments Private Limited	520.80	127.70
	JV Holdings Private Limited	19.87	-
	OMR Investments LLP	5.00	5.00
Loan (taken)/repaid to borrower	Udhyaman Investments Private Limited	(203.94)	913.83
	Embassy Property Developments Private Limited	412.48	106.93
Loan taken over under Business Transfer Agreement	Embassy Inn Private Limited (Inter-Corporate deposit with Udhyaman Investments Private Limited)	(1,442.05)	-
Advance paid for land acquisition	Embassy Property Developments Private Limited	-	4,109.45
Business Transfer Agreement	Udhyaman Investments Private Limited (Net off Asset & Liabilities)	5.00	-

(iv) Amount outstanding as at the balance sheet date :

Particulars		As at December 31, 2021	As at March 31, 2021
Other non-assets- Advance paid for land acquisition	Embassy Property Developments Private Limited	4,109.45	4,109.45
Other non-current assets - Capital advances others	Babbler Marketing Private Limited	0.06	44.66
Trade receivables	Lounge Hospitality LLP	25.48	11.05
	Embassy International Riding School Private Limited	2.62	2.25
	Narpat Singh Chorari	1.26	-
	Jyoti Choraria	2.72	-
	Jitu Family Trust	25.22	-
	Udhyaman Investments Private Limited	-	14.51
Current Loans - Inter corporate deposit	Embassy Property Developments Private Limited	520.80	-
	JV Holdings Private Limited	19.87	-
	Embassy Buildcon LLP	19.40	19.40
	OMR Investments LLP	10.00	5.00
	Udhyaman Investments Private Limited	1,000.00	1,000.00
Current Other financial assets - Interest accrued and not due	Embassy Property Developments Private Limited	13.49	77.04
Current Account Balance with Partnership Firm	Embassy Investment Management Services LLP	18.00	-
Current Other financial assets - other receivable from related parties	Embassy Real Estate Development Private Limited	0.46	-
	OMR Investments LLP	117.46	119.63
Current Other financial assets - receivable for sale of business	Embassy International Riding School Private Limited	303.45	303.45
Other current assets - Advance for supply of goods and rendering of services	Babbler Marketing Private Limited	25.94	14.02
	Bangalore Paints Private Limited	38.70	25.73
	We Work India Management Private Limited	-	0.02
Non current Borrowings - Liability component of Optionally convertible debentures	Embassy Property Developments Private Limited	2,879.22	2,783.73
Retention money towards project cost	Babbler Marketing Private Limited	0.61	7.80
	Bangalore Paints Private Limited	-	3.10
Current Borrowings	Udhyaman Investments Private Limited	2,559.81	969.47
	Embassy Property Developments Private Limited	519.41	106.93
Trade payables	Embassy Services Private Limited	370.08	450.05
	Embassy Interiors Private Limited	4.12	4.19
	Lounge Hospitality LLP	34.12	5.88
	JV Holdings Private Limited	-	1.29
	We Work India Management Private Limited	0.02	-
	Embassy Office Parks Management Private Limited	0.98	-
	Embassy Property Developments Private Limited	93.51	142.74
	Quadron Business Parks Private Limited	0.01	-
	Babbler Marketing Private Limited	12.63	41.71
	Collaborative Workspace Consultants LLP	1.13	-
	Technique Control Facility Management Private Limited	3.40	2.10
	Udhyaman Investments Private Limited	0.57	0.57
	Southern Paradise Stud and Development Farms Private	2.01	2.01
	Bangalore Paints Private Limited	7.28	16.74
	Paledium Security Services LLP	0.83	0.34
	Synergy Property Development Services Private Limited	-	16.09
Other financial Liabilities - Payable for purchase of stake/investment	Embassy Property Developments Private Limited	0.20	-
	Embassy Inn Private Limited	1.50	-

(iv) Amount outstanding as at the balance sheet date (continued) :

Particulars		As at December 31, 2021	As at March 31, 2021
Other financial liabilities - Payable for purchase of Investment Property	Babbler Marketing Private Limited	-	0.79
	Bangalore Paints Private Limited	-	0.09
	Embassy Interiors Private Limited	-	2.39
	Paledium Security Services LLP	-	0.11
Other financial Liabilities - Other payables	Embassy Property Developers Private Limited	8,629.53	9,766.29
	Udhyan Investments Private Limited	5.00	-
Other non-financial liabilities - Advance received from customers	Rajesh Bajaj	-	0.27
	Manisha Rajesh Bajaj	0.30	-
	Anmol Rajesh Bajaj	-	0.77
Outstanding value of security and guarantee received	Embassy Property Development Private Limited	Loan outstanding Rs. 4250.00 millions	Loan outstanding Rs. 4250.00 millions
Outstanding value of security and guarantee given	Embassy Property Development Private Limited	Loan outstanding Rs. 7425 million	-
Outstanding value of security and guarantee received (refer note 1 below)	Embassy Property Development Private Limited	Loan outstanding Rs. 8394.12 million	Loan outstanding Rs. 8,393.62 millions
Outstanding value of security and guarantee received (refer note 2 below)	JV Holdings Private Limited		
	Embassy Property Development Private Limited	Loan outstanding Rs. 17,450.00 millions	-
	Udhyan Investments Private Limited		
	OMR Investments LLP		
Outstanding value of security and guarantee received (refer note 3 below)	Embassy Property Development Private Limited Udhyan Investments Private Limited	Debenture outstanding Rs 10,000 millions	-
Outstanding value of security and guarantee received (refer note 4 below)	Embassy Property Development Private Limited	-	-
	Udhyan Investments Private Limited	-	-
Outstanding value of security and guarantee given (refer note 5 below)	Embassy Property Development Private Limited	-	-
Outstanding value of security and guarantee given (refer note 6 below)	Embassy Inn Private Limited	Loan outstanding Rs. 3009.37 million	-
	LJ-Victoria Properties Private Limited	Loan outstanding Rs. 900 million	-
Other equity component of compulsorily convertible debentures	OMR Investments LLP	682.24	

Note:

- (1) As part of Scheme of Arrangement, the loan from Indiabulls Housing Finance Limited has been demerged from Embassy Property Developments Private Limited ('EPDPL'). The loan has been secured against certain assets held by the Holding Company, EPDPL and subsequently held by Embassy East Business Park Private Limited.
- (2) The Group has received Corporate Guarantee and certain security from the parties stated above for a loan taken from HDFC Limited during the year. The loan outstanding as on reporting date is Rs 17,450.00 million
- (3) The Group has received Corporate Guarantee and certain security from the parties stated above for listed, secured debentures issued during the year. The loan outstanding as on reporting date is Rs 10,000.00 million. The guarantee of Embassy Property Development Private Limited and Udhyan Infra Private Limited is till the date of approval of scheme of merger with Indiabulls Real Estate Limited. (refer note 7)
- (4) The Group has received corporate guarantee and security from parties listed above for certain short term loans taken by the Group during the year. As on December 31, 2021 the loan for which corporate guarantee and security was received is nil, other than that stipulated in note 2 and 3 above.
- (5) The Group has provided corporate guarantee and security from parties listed above for certain short term loans taken by the said entities during the year. As on December 31, 2021 the loan for which corporate guarantee and security was received is nil, other than that stipulated in note 2 and 3 above or the asset against which it was secured was transferred to another entity
- (6) The Group has given its leasehold land as a secondary security for a loan of ₹ 900 millions taken by L J Victoria Properties Private Limited, fellow subsidiary and ₹ 4780 millions taken by Embassy Inn Private Limited . The closing balance as on December 31, 2021 is ₹ 3909.37 millions.

INDEPENDENT AUDITOR'S REPORT

To the Members of Embassy One Commercial Property Developments Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Embassy One Commercial Property Developments Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on matters specified in the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to explanation given to us, the said order is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The Company has been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls (clause (i) of section 143 (3)).
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for H R A & Co.
Chartered Accountants
Firm Registration Number: 010005S

Shreedevi C
Partner
Membership Number: 221563
UDIN: 21221563AAAABZ5543

Date: **July 29, 2021**

Place: **Bengaluru**

Embassy One Commercial Property Developments Private Limited

Balance sheet as at March 31, 2021

(Rs. in thousands)

Particulars	Note	March 31, 2021	March 31, 2020
Assets			
Current assets			
Financial assets			
- Cash and cash equivalents	3	-	117.68
- Trade receivables	4	11,051.64	-
Other non-financial assets	5	1,841.35	-
Total current assets		12,892.99	117.68
Total assets		12,892.99	117.68
Equity and liabilities			
Equity			
Equity share capital	6	100.00	100.00
Other equity	7	(319.79)	(241.46)
Total equity		(219.79)	(141.46)
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables			
Total outstanding dues to micro enterprises and small enterprises	8	30.94	21.88
Total outstanding dues to creditors other than micro enterprises and small enterprises		11,279.90	236.16
Other non-financial liabilities	9	1,801.94	1.10
Total current liabilities		13,112.78	259.14
Total equity and liabilities		12,892.99	117.68

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Sreedevi C

Partner

Membership No: 221563

Narpat Singh Choraria

Director

DIN: 00027580

Shaina Ganapathy

Director

DIN: 001777973

Place : Bengaluru

Date : July 29, 2021

Place : Bengaluru

Date : July 29, 2021

Embassy One Commercial Property Developments Private Limited

Statement of profit and loss for the year ended March 31, 2021

(Rs. in thousands)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	10	9,486.38	-
Expenses			
Maintenance expenses	11	9,439.19	-
Other expenses	12	125.52	169.71
Total expenses		9,564.71	169.71
Profit/(loss) before tax		(78.33)	(169.71)
Tax expense			
Current tax		-	-
Profit/(loss) for the year		(78.33)	(169.71)
Other comprehensive income (OCI)			
- Profit/(loss) for the year		(78.33)	(169.71)
- Not to be reclassified to statement of profit and loss in subsequent periods		-	-
Total comprehensive income for the period		(78.33)	(169.71)
Earning per share (equity shares, par value of Rs. 10 each)			
Basic and diluted (Rs.)		(7.83)	(16.97)

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Sreedevi C

Partner

Membership No: 221563

Narpat Singh Choraria

Director

DIN: 00027580

Shaina Ganapathy

Director

DIN: 001777973

Place : Bengaluru

Date : July 29, 2021

Place : Bengaluru

Date : July 29, 2021

Embassy One Commercial Property Developments Private Limited

Cash flow statement for the year ended March 31, 2021

(Rs. in thousands)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities:		
Profit / (loss) before tax	(78.33)	(169.71)
Operating cash flow before working capital changes	(78.33)	(169.71)
Changes in		
- Increase / (decrease) in trade payable	11,052.80	212.64
- Increase / (decrease) in other non-financial liabilities	1,800.85	1.10
- (Increase) / decrease in trade receivable	(11,051.64)	-
- (Increase) / decrease in other non-financial assets	(1,699.06)	-
Cash (used in)/ generated from operations	24.62	44.03
- Direct taxes paid (net of refunds)	(142.30)	-
Net cash generated /(used in) operating activities	(117.68)	44.03
Cash flow from financing activities:		
- Proceeds from issue of share capital	-	-
Net cash generated from financing activities	-	-
Net (decrease)/ increase in cash and cash equivalents	(117.68)	44.03
Cash and cash equivalents at the beginning of the period	117.68	73.65
Cash and cash equivalents at the end of the year (refer note 3)	0.00	117.68

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Sreedevi C

Partner

Membership No: 221563

Place : Bengaluru

Date : July 29, 2021

Narpat Singh Choraria

Director

DIN: 00027580

Place : Bengaluru

Date : July 29, 2021

Shaina Ganapathy

Director

DIN: 001777973

Embassy One Commercial Property Developments Private Limited

Statement of changes in equity for the year ended March 31, 2021

(A) Equity share capital

(Rs. in thousands)	
Particulars	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid up	
Balance as at April 1, 2019	100.00
Changes during the year	-
Balance as at March 31, 2020	100.00
Balance as at April 1, 2020	100.00
Changes during the year	-
Balance as at March 31, 2021	100.00

(B) Other equity

(Rs. in thousands)		
Particulars	Reserves and Surplus	Total other equity
	Retained earnings	
Balance as at April 1, 2019	(71.75)	(71.75)
Profit/(loss) for the year	(169.71)	(169.71)
Balance as at March 31, 2020	(241.46)	(241.46)
Balance as at April 1, 2020	(241.46)	(241.46)
Profit/(loss) for the year	(78.33)	(78.33)
Balance as at March 31, 2021	(319.79)	(319.79)

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Sreedevi C

Partner

Membership No: 221563

Narpat Singh Choraria

Director

DIN: 00027580

Shaina Ganapathy

Director

DIN: 001777973

Place : Bengaluru

Date : July 29, 2021

Place : Bengaluru

Date : July 29, 2021

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

Note 1: Company overview

Embassy One Commercial Property Developments Private Limited ('the Company') was incorporated on July 03, 2018. The Company has been formed primarily for carrying on business of real estate development. The company identification number of the Company is U70109TG2018PTC133487. The Company is incorporated in India and the registered office is at Bengaluru, India.

Note 2: Significant accounting policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Financial statements for the year ended March 31, 2019 are the Company's first financials and have been prepared in Ind-AS financial statements. The Company has adopted all the applicable Ind-AS standards.

The financial statements have been prepared on a historical cost basis, except for certain financial assets which is measured at fair value. The financial statements are presented in INR and all values are rounded to the nearest thousand, except when otherwise stated.

b. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is:

Expected to be realized within twelve months after the reporting period, or

Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

Due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d. Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful life)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Act.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

De-recognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of de-recognition.

e. Impairment of assets

Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount (ie, the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit's exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit and loss. The Company tests for impairment using the expected credit loss model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime Expected Credit Loss. Life time Expected Credit Loss are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month Expected Credit Loss is a portion of the lifetime Expected Credit Loss which results from default events on a financial instrument that are possible within 12 months after the reporting date.

Impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected in a separate line in the statement of profit and loss as an impairment gain or loss. For financial assets measured at amortised cost, expected credit loss is presented as an allowance which reduces the net carrying amount of the financial asset.

f. Borrowing costs

Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred, except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for its intended use in which case it is capitalised. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

Interest income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

Dividends

Dividends is recognised when the Company's right to receive the payment is established, which is generally when shareholders of the Investee Company approve the dividend.

h. Foreign currency

Functional currency

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of foreign operations. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to statement of profit and loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item.

i. Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian income tax act, 1961.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current income tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in the other comprehensive income or in the equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

j. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

k. Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

l. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and bank balance consist of cash and cash equivalents and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities.

m. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

n. Fair value measurement

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through statement of profit and loss.

Financial liabilities are classified as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through statement of profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

(iv) Equity investments

All equity investments with the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as financial assets at fair value through statement of profit and loss. Equity instruments included within the financial assets at fair value through statement of profit and loss category are measured at fair value with all changes recognised in the statement of profit and loss.

(v) Financial liabilities

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	Financial assets at fair value through statement of profit and loss	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in statement of profit and loss.
Financial assets at fair value through statement of profit and loss	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. Effective interest rate is calculated based on the new gross carrying amount.
Amortized cost	Financial assets at fair value through other comprehensive income	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in other comprehensive income. No change in effective interest rate due to reclassification.
Financial assets at fair value through other comprehensive income	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in other comprehensive income is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
Financial assets at fair value through statement of profit and loss	Financial assets at fair value through other comprehensive income	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
Financial assets at fair value through other comprehensive income	Financial assets at fair value through statement of profit and loss	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in other Comprehensive income is reclassified to statement of profit and loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instrument

A financial asset is primarily derecognised when:

The rights to receive the cash flows from the asset have expired or

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

p. Share capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effects.

q. Recent accounting pronouncements (standards issued but not yet effective)

a. The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below. There were several new and amendments to standards and interpretations which are applicable for the first time for the year ended March 31, 2021, but either not relevant or do not have an impact on the financial statements of the Company. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

b. Amendments to Ind AS 103: Definition of a Business: The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. The other key amendments include, adding an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business and narrowing the definitions of business and outputs by focusing on goods or services provided to customers and by removing the reference to an ability to reduce costs. These amendments had no impact on the financial statements of the Company.

c. Amendments to Ind AS 1 and Ind AS 8: Definition of Material: The amendments provides a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company.

d. Several other amendments apply for the first time for the year ending March 31, 2021, but does not have an impact on the financial statements of the Company.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

(Rs. in thousands)

	Particulars	March 31, 2021	March 31, 2020
Note 3:	Cash and cash equivalents		
	Balances with banks		
	- In current accounts	-	117.68
		-	117.68

(Rs. in thousands)

	Particulars	March 31, 2021	March 31, 2020
Note 4:	Trade receivables		
	- Trade receivables	11,051.64	-
		11,051.64	-

(Rs. in thousands)

	Particulars	March 31, 2021	March 31, 2020
Note 5:	Other non-financial assets		
	Balances with government authorities	1,699.06	-
	Advance tax, net of provision for tax	142.30	-
		1,841.36	-

(Rs. in thousands)

	Particulars	March 31, 2021	March 31, 2020
Note 6:	Equity share capital		
	Authorised		
	10,000 (March 31, 2020 - 10,000) equity shares of Rs. 10/- each	100.00	100.00
		100.00	100.00
	Issued, subscribed and fully paid-up capital		
	10,000 (March 31, 2020 - 10,000) equity shares of Rs. 10/- each	100.00	100.00
		100.00	100.00

(a) The details of shareholder holding more than 5 percent equity shares in the Company is as below:

Name of the shareholder	March 31, 2021		March 31, 2020	
	No. of shares	% holding	No. of shares	% holding
Embassy Property Developments Private Limited (Holding Company)	9,999	99.99%	9,999	99.99%
	9,999	99.99%	9,999	99.99%

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Rs. in thousands	No. of shares	Rs. in thousands
At the beginning of the year	10,000	100.00	10,000	100.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	100.00	10,000	100.00

(c) Rights, entitlements and obligations attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders' meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Buy back of equity shares and equity shares allotted by way of bonus shares or for consideration other than cash:

There have been no buy back of shares, issue of shares by way of bonus share or issue of share pursuant to contract without payment being received in cash from the date of incorporation till date.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

		(Rs. in thousands)	
Particulars		March 31, 2021	March 31, 2020
Note 7:	Other equity		
	Retained earnings (refer note a below)		
	At the beginning of the year	(241.46)	(71.75)
	Profit/(loss) during the year	(78.33)	(169.71)
	At the end of the year	(319.79)	(241.46)
		(319.79)	(241.46)

(a) The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the statement of profit and loss to retained earnings.

		(Rs. in thousands)	
Particulars		March 31, 2021	March 31, 2020
Note 8:	Trade payables		
	Total outstanding dues to micro enterprises and small enterprises	30.94	21.88
	Total outstanding dues to creditors other than micro enterprises and small enterprises	11,279.90	236.16
		11,310.84	258.04

		(Rs. in thousands)	
Particulars		March 31, 2021	March 31, 2020
Note 9:	Other non-financial liabilities		
	Statutory dues	1,801.94	1.10
		1,801.94	1.10

Embassy One Commercial Property Developments Private Limited
Notes to financial statements for the year ended March 31, 2021

(Rs. in thousands)		
	Particulars	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 10:	Revenue from operations	
	Common area maintenance	9,486.38 -
	9,486.38	-
Note 11:	Maintenance expenses	
	Maintenance charges	9,439.19 -
	9,439.19	-
Note 12:	Other expenses	
	Professional fees	64.29 104.17
	Audit fees	10.00 10.00
	Rates and taxes	6.42 5.01
	Miscellaneous expenses	44.81 28.98
	Advertisement charges	- 21.55
	125.52	169.71

Note 13: Contingent liabilities, commitments and contingent assets

There are no contingent liabilities and there are no contracts remaining to be executed on capital account and not provided for as at the balance sheet date. Further, there are no commitments as on March 31, 2021 (March 31, 2020- Nil)

Note 14: A: Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(Rs. in thousands)		
	Particulars	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Accounting profit / (loss) before income tax	(78.33) (169.71)
	Tax at the Indian tax rate of 26% (March 31, 2020 - 26%)	(20.37) (44.12)
	Effect of:	
	Deferred tax asset not created on losses	20.37 44.12
	At the effective income tax rate is nil	(0) -
	Income tax expense reported in the statement of profit and loss	- -

B: Unrecognised deferred tax assets:

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits there from

Tax losses	83.15	62.78

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the year ended March 31, 2021****Note 15: Earnings per share (EPS)**

The following reflects the profit/(loss) and weighted average number of shares data used in the basic and diluted Earnings Per Share computation:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/(loss) for the period for calculating basic and diluted earnings per share (Rs. in thousands)	(78.33)	(169.71)
Weighted average number of equity shares for calculating basic and diluted earnings per share	10,000	10,000

Note 16: Segment information

The Company is primarily engaged in the business of real estate development, which as per Indian Accounting Standard – 108 on ‘Operating Segments’ is considered to be the only reportable business segment. The Company is operating in India, which is considered as a single geographical segment.

Note 17: Expenditure on corporate social responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended March 31, 2021.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2021

Note 18: Related party disclosure:

(a) Names of related parties where control exists irrespective of whether transactions have occurred or not:

Ultimate holding company	J V Holding Private Limited
Holding company	Embassy Property Developments Pvt Ltd
Entities with which transaction exists	Embassy Services Private Limited Lounge Hospitality LLP

(b) Transactions with Related Parties :

Particulars	(Rs. in thousands)	
	March 31, 2021	March 31, 2020
Loan taken/(Reimbursement of expenses)		
Embassy Property Developments Pvt Ltd	9.28	211.46
Common Area Maintenance Charges		
Embassy Services Private Limited	9,439.19	-
Revenue from operations - common area maintenance services		
Lounge Hospitality LLP	9,486.38	-

(c) Balances at the end of the year:

Particulars	(Rs. in thousands)	
	March 31, 2021	March 31, 2020
Other payables		
Embassy Property Developments Pvt Ltd	220.74	211.46
Trade payables		
Embassy Services Private Limited	11,053.85	-
Trade receivables		
Lounge Hospitality LLP	11,051.64	-

Note 19:

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro, small and medium enterprises should mention in their correspondence with its customers the Entrepreneur Memorandum Number as allocated after filing of the Memorandum in accordance with the MSMED Act. Accordingly the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 has been made in the financial statements based on the information received and available with the Company.

Note 20: Disclosure on financial assets and financial liabilities

(Rs. in thousands)		
Particulars	Carrying value as at March 31, 2021	Carrying value as at March 31, 2020
Financial assets measured at amortised cost:		
- Cash and cash equivalents	-	117.68
- Trade receivables	11,051.64	-
	11,051.64	117.68
Financial liabilities measured at amortised cost:		
- Trade Payables	11,310.84	258.04
	11,310.84	258.04

The management assessed that the carrying value of the cash and cash equivalents and other current financial liabilities approximate their fair values.

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the year ended March 31, 2021****Note 21: Financial instruments - risk management**

The Company's financial assets majorly comprise of cash & cash equivalents.

The Company is exposed to credit risk, liquidity risk and market risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions affecting business operations and the Company's activities.

(a) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or loans given leading to financial loss. Cash and bank deposits are placed with banks and financial institutions which are regulated. Management does not expect any of its counterparties to fail to meet its obligations.

(b) Market risk

Market risk is the risk which will affect the Company's income or the value of its holding of financial instruments on account of changes in market prices, foreign exchange rates, interest rates and equity prices

a. Currency risk

Majority of the transactions entered into by the company are denominated in INR. Accordingly the company does not have any currency risk.

b. Interest rate risk

Interest rate is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company does not have any long term debt obligations with floating interest rates. Accordingly the company does not have any interest rate risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has a dedicated treasury management team on a group level which monitors on a daily basis the fund positions/requirements of the Company. The treasury management team plans the cash flows of the Company by planning and identifying future mismatches in funds availability and reports the planned & current liquidity position to the top management and Board of Directors of the Company.

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows:

(Rs. in thousands)				
March 31, 2021	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial assets				
- Cash and cash equivalents	-	-	-	-
- Trade receivables	11,051.64	-	-	11,051.64
	11,051.64	-	-	11,051.64
Non-derivative financial liabilities				
- Trade Payables	11,310.84	-	-	11,310.84
	11,310.84	-	-	11,310.84

(Rs. in thousands)				
March 31, 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial assets				
- Cash and cash equivalents	117.68	-	-	117.68
- Trade receivables	-	-	-	-
	117.68	-	-	117.68
Non-derivative financial liabilities				
- Trade Payables	258.04	-	-	258.04
	258.04	-	-	258.04

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the year ended March 31, 2021****Note 22: Auditors' remuneration:**

(Rs. in thousands)		
Particulars	March 31, 2021	March 31, 2020
Statutory audit fees (exclusive of applicable taxes)	10.00	10.00

Note 23: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to optimize the shareholder value.

The Company manages the capital structure based on an adequate gearing which yields higher share holder value which is driven by the business requirements for capital expenditure and cash flow requirements for operations and plans of business expansion and consolidation. Accordingly based on the relative gearing and effective operating cash flows generated, the Company manages the capital either by raising required funds through debt or equity. The current capital and net debt position is as follows:

(Rs. in thousands)		
Particulars	March 31, 2021	March 31, 2020
Borrowings	-	-
Net debt	-	-
Capital - equity attributable to the equity holders	(219.79)	(141.46)
Capital and net debt	(219.79)	(141.46)

Note 24: Uncertainty relating to the global health pandemic on COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on revenue recognition, investment property (including under development), property, plant and equipment, capital work in progress, and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company and have compared the actual performance with the projections and expects the carrying amount of these assets as reflected in the balance sheet as at March 31, 2021 will be recovered. The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Sreedevi C

Partner

Membership No: 221563

Narpat Singh Choraria

Director

DIN: 00027580

Shaina Ganapathy

Director

DIN: 001777973

Place : Bengaluru

Date : July 29, 2021

Place : Bengaluru

Date : July 29, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Embassy One Commercial Property Developments Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Embassy One Commercial Property Developments Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on matters specified in the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to explanation given to us, the said order is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

- f) The Company has been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls (clause (i) of section 143 (3)).
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for H R A & Co.
Chartered Accountants
Firm Registration Number: 010005S

Ravindranath. N
Partner
Membership Number: 209961
UDIN: 20209961AAAAHP8495

Date: **May 22, 2020**

Place: **Bengaluru**

Embassy One Commercial Property Developments Private Limited

Balance sheet as at March 31, 2020

(Rs. in thousands)

Particulars	Note	March 31, 2020	March 31, 2019
Assets			
Current assets			
Financial assets			
- Cash and cash equivalents	3	117.68	73.65
Total current assets		117.68	73.65
Total assets		117.68	73.65
Equity and liabilities			
Equity			
Equity share capital	4	100.00	100.00
Other equity	5	(241.46)	(71.75)
Total equity		(141.46)	28.25
Liabilities			
Current liabilities			
Financial liabilities			
- Other financial liabilities	6	258.04	45.40
Other Non-financial liabilities	7	1.10	-
Total current liabilities		259.14	45.40
Total equity and liabilities		117.68	73.65

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Ravindranath N

Partner

Membership No: 209961

Narpat Singh Choraria

Director

DIN: 00027580

Shaina Ganapathy

Director

DIN: 001777973

Place : Bengaluru

Date : May 22, 2020

Place : Bengaluru

Date : May 22, 2020

Embassy One Commercial Property Developments Private Limited

Statement of profit and loss for the year ended March 31, 2020

(Rs. in thousands)

Particulars	Note	For the year ended March 31, 2020	For the period from July 3, 2018 to March 31, 2019
Total income		-	-
Expenses			
Other expenses	8	169.71	71.75
Total expenses		169.71	71.75
Profit/(loss) before tax		(169.71)	(71.75)
Tax expense			
Current tax		-	-
Profit/(loss) for the year		(169.71)	(71.75)
Other comprehensive income (OCI)			
- Profit/(loss) for the year		(169.71)	(71.75)
- Not to be reclassified to statement of profit and loss in subsequent periods		-	-
Total comprehensive income for the period		(169.71)	(71.75)
Earning per share (equity shares, par value of Rs. 10 each)			
Basic and diluted (Rs.)		(16.97)	(9.66)

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

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DIN: 001777973

Place : Bengaluru

Date : May 22, 2020

Place : Bengaluru

Date : May 22, 2020

Embassy One Commercial Property Developments Private Limited

Cash flow statement for the year ended March 31, 2020

(Rs. in thousands)

Particulars	For the year ended March 31, 2020	For the period from July 3, 2018 to March 31, 2019
Cash flow from operating activities:		
Profit / (loss) before tax	(169.71)	(71.75)
Operating cash flow before working capital changes	(169.71)	(71.75)
Changes in		
- Increase / (decrease) in other financial liabilities	212.64	45.40
- Increase / (decrease) in other non-financial liabilities	1.10	-
Cash (used in)/ generated from operations	44.03	(26.35)
- Direct taxes paid (net of refunds)	-	-
Net cash generated /(used in) operating activities	44.03	(26.35)
Cash flow from financing activities:		
- Proceeds from issue of share capital	-	100.00
Net cash generated from financing activities	-	100.00
Net (decrease)/ increase in cash and cash equivalents	44.03	73.65
Cash and cash equivalents at the beginning of the period	73.65	-
Cash and cash equivalents at the end of the year (refer note 3)	117.68	73.65

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Ravindranath N

Partner

Membership No: 209961

Place : Bengaluru

Date : May 22, 2020

Narpat Singh Choraria

Director

DIN: 00027580

Place : Bengaluru

Date : May 22, 2020

Shaina Ganapathy

Director

DIN: 001777973

Embassy One Commercial Property Developments Private Limited
Statement of changes in equity for the year ended March 31, 2020

(A) Equity share capital

(Rs. in thousands)	
Particulars	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid up	
Balance as at July 03, 2018	-
Changes during the period	100.00
Balance as at March 31, 2019	100.00
Particulars	Amount
Balance as at April 1, 2019	100.00
Changes during the year	-
Balance as at March 31, 2020	100.00

(B) Other equity

(Rs. in thousands)		
Particulars	Reserves and Surplus	Total other equity
	Retained earnings	
Balance as at July 03, 2018	-	-
Profit/(loss) for the period	(71.75)	(71.75)
Balance as at the March 31, 2019	(71.75)	(71.75)
Balance as at April 1, 2019	(71.75)	(71.75)
Profit/(loss) for the year	(169.71)	(169.71)
Balance as at March 31, 2020	(241.46)	(241.46)

As per our report of even date
for HRA & Co.,
Chartered Accountants
Firm Registration number : 010005S

For and on behalf of the board of directors of
Embassy One Commercial Property Developments Private Limited

Ravindranath N
Partner
Membership No: 209961

Narpat Singh Choraria
Director
DIN: 00027580

Shaina Ganapathy
Director
DIN: 001777973

Place : Bengaluru
Date : May 22, 2020

Place : Bengaluru
Date : May 22, 2020

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

Note 1: Company overview

Embassy One Commercial Property Developments Private Limited ('the Company') was incorporated on July 03, 2018. The Company has been formed primarily for carrying on business of real estate development. The company identification number of the Company is U70109TG2018PTC133487. The Company is incorporated in India and the registered office is at Bengaluru, India.

Note 2: Significant accounting policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Financial statements for the year ended March 31, 2019 are the Company's first financials and have been prepared in Ind-AS financial statements. The Company has adopted all the applicable Ind-AS standards.

The financial statements have been prepared on a historical cost basis, except for certain financial assets which is measured at fair value. The financial statements are presented in INR and all values are rounded to the nearest thousand, except when otherwise stated.

b. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is:

Expected to be realized within twelve months after the reporting period, or

Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

Due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d. Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful life)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Act.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

De-recognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of de-recognition.

e. Impairment of assets

Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount (ie, the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit's exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit and loss. The Company tests for impairment using the expected credit loss model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime Expected Credit Loss. Life time Expected Credit Loss are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month Expected Credit Loss is a portion of the lifetime Expected Credit Loss which results from default events on a financial instrument that are possible within 12 months after the reporting date.

Impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected in a separate line in the statement of profit and loss as an impairment gain or loss. For financial assets measured at amortised cost, expected credit loss is presented as an allowance which reduces the net carrying amount of the financial asset.

f. Borrowing costs

Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred, except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for its intended use in which case it is capitalised. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

Interest income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

Dividends

Dividends is recognised when the Company's right to receive the payment is established, which is generally when shareholders of the Investee Company approve the dividend.

h. Foreign currency

Functional currency

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of foreign operations. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to statement of profit and loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item.

i. Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian income tax act, 1961.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current income tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in the other comprehensive income or in the equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

j. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

k. Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

l. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and bank balance consist of cash and cash equivalents and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities.

m. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

n. Fair value measurement

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through statement of profit and loss.

Financial liabilities are classified as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through statement of profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

(iv) Equity investments

All equity investments with the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as financial assets at fair value through statement of profit and loss. Equity instruments included within the financial assets at fair value through statement of profit and loss category are measured at fair value with all changes recognised in the statement of profit and loss.

(v) Financial liabilities

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	Financial assets at fair value through statement of profit and loss	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in statement of profit and loss.
Financial assets at fair value through statement of profit and loss	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. Effective interest rate is calculated based on the new gross carrying amount.
Amortized cost	Financial assets at fair value through other comprehensive income	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in other comprehensive income. No change in effective interest rate due to reclassification.
Financial assets at fair value through other comprehensive income	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in other comprehensive income is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
Financial assets at fair value through statement of profit and loss	Financial assets at fair value through other comprehensive income	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
Financial assets at fair value through other comprehensive income	Financial assets at fair value through statement of profit and loss	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in other Comprehensive income is reclassified to statement of profit and loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instrument

A financial asset is primarily derecognised when:

The rights to receive the cash flows from the asset have expired or

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

p. Share capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effects.

q. Recent accounting pronouncements (standards issued but not yet effective)

The amendments are proposed to be effective for reporting periods beginning on or after 1 April 2020.

(A) Issue of Ind AS 117

Insurance Contracts Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk. Application of this standard is not expected to have any impact on the Company's financial statements.

(B) Amendments to existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 103 – Business Combination
2. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 40 – Investment Property

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

		(Rs. in thousands)	
Particulars		March 31, 2020	March 31, 2019
Note 3:	Cash and cash equivalents		
	Balances with banks		
	- In current accounts	117.68	73.65
		117.68	73.65

		(Rs. in thousands)	
Particulars		March 31, 2020	March 31, 2019
Note 4:	Equity share capital		
	Authorised		
	10,000 equity shares of Rs. 10/- each	100.00	100.00
		100.00	100.00
	Issued, subscribed and fully paid-up capital		
	10,000 equity shares of Rs. 10/- each	100.00	100.00
		100.00	100.00

(a) The details of shareholder holding more than 5 percent equity shares in the Company is as below:

Name of the shareholder	March 31, 2020		March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Embassy Property Developments Private Limited (Holding Company)	9,999	99.99%	9,999	99.99%
	9,999	99.99%	9,999	99.99%

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	March 31, 2020		March 31, 2019	
	No. of shares	Rs. in thousands	No. of shares	Rs. in thousands
At the beginning of the year	10,000	100.00	-	-
Issued during the year	-	-	10,000	100.00
Outstanding at the end of the year	10,000	100.00	10,000	100.00

(c) Rights, entitlements and obligations attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders' meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Buy back of equity shares and equity shares allotted by way of bonus shares or for consideration other than cash:

There have been no buy back of shares, issue of shares by way of bonus share or issue of share pursuant to contract without payment being received in cash from the date of incorporation till date.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

		(Rs. in thousands)	
Particulars		March 31, 2020	March 31, 2019
Note 5:	Other equity		
	Retained earnings (refer note a below)		
	At the beginning of the year	(71.75)	-
	Profit/(loss) during the year	(169.71)	(71.75)
	At the end of the year	(241.46)	(71.75)
		(241.46)	(71.75)

(a) The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the statement of profit and loss to retained earnings.

		(Rs. in thousands)	
Particulars		March 31, 2020	March 31, 2019
Note 6:	Other financial liabilities		
	Other payables		
	Total outstanding dues to micro enterprises and small enterprises	11.88	-
	Total outstanding dues to creditors other than micro enterprises and small enterprises	236.16	35.40
	Provision for expenses	10.00	10.00
		258.04	45.40

		(Rs. in thousands)	
Particulars		March 31, 2020	March 31, 2019
Note 7:	Other non-financial liabilities		
	Statutory dues	1.10	-
		1.10	-

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the year ended March 31, 2020

(Rs. in thousands)		
Particulars	For the year ended March 31, 2020	For the period from July 3, 2018 to March 31, 2019
Note 8: Other expenses		
Professional fees	104.17	57.39
Audit fees	10.00	10.00
Rates and taxes	5.01	4.24
Miscellaneous expenses	28.98	0.12
Advertisement Charges	21.55	-
	169.71	71.75

Note 9: Contingent liabilities, commitments and contingent assets

There are no contingent liabilities and there are no contracts remaining to be executed on capital account and not provided for as at the balance sheet date. Further, there are no commitments as on March 31, 2020 (March 31, 2019 - Nil)

Note 10: A: Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(Rs. in thousands)		
Particulars	For the year ended March 31, 2020	For the period from July 3, 2018 to March 31, 2019
Accounting profit / (loss) before income tax	(169.71)	(71.75)
Tax at the Indian tax rate of 26% (March 31, 2019 - 26%)	(44.12)	(18.66)
Effect of:		
Deferred tax asset not created on losses	44.12	18.66
At the effective income tax rate is nil	-	-
Income tax expense reported in the statement of profit and loss	-	-

B: Unrecognised deferred tax assets:

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits there from

Tax losses	62.78	18.66

Note 11: Earnings per share (EPS)

The following reflects the profit/(loss) and weighted average number of shares data used in the basic and diluted Earnings Per Share computation:

Particulars	For the year ended March 31, 2020	For the period ended March 31, 2019
Profit/(loss) for the period for calculating basic and diluted earnings per share (Rs. in thousands)	(169.71)	(71.75)
Weighted average number of equity shares for calculating basic and diluted earnings per share	10,000	7,425

Note 12: Segment information

The Company is primarily engaged in the business of real estate development, which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India, which is considered as a single geographical segment.

Note 13: Expenditure on corporate social responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended March 31, 2020

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the year ended March 31, 2020****Note 14: Related party disclosure:****(a) Names of related parties where control exists irrespective of whether transactions have occurred or not:**

Ultimate holding company	J V Holding Private Limited
Holding company	Embassy Property Developments Pvt Ltd

(b) Transactions with Related Parties :

Particulars	(Rs. in thousands)	
	March 31, 2020	March 31, 2019
Reimbursement of expenses		
Embassy Property Developments Pvt Ltd	211.46	-

(c) Balances at the end of the year:

Particulars	(Rs. in thousands)	
	March 31, 2020	March 31, 2019
Other payables		
Embassy Property Developments Pvt Ltd	211.46	-

Note 15:

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro, small and medium enterprises should mention in their correspondence with its customers the Entrepreneur Memorandum Number as allocated after filing of the Memorandum in accordance with the MSMED Act. Accordingly the disclosure in respect of the amounts payable to such enterprises as at March 31, 2020 has been made in the financial statements based on the information received and available with the Company.

Note 16: Disclosure on financial assets and financial liabilities

Particulars	(Rs. in thousands)	
	Carrying value as at March 31, 2020	Carrying value as at March 31, 2019
Financial assets measured at amortised cost:		
- Cash and cash equivalents	117.68	73.65
	117.68	73.65
Financial liabilities measured at amortised cost:		
- Other financial liabilities	258.04	45.40
	258.04	45.40

The management assessed that the carrying value of the cash and cash equivalents and other current financial liabilities approximate their fair values.

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the year ended March 31, 2020****Note 17: Financial instruments - risk management**

The Company's financial assets majorly comprise of cash & cash equivalents.

The Company is exposed to credit risk, liquidity risk and market risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions affecting business operations and the Company's activities.

(a) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or loans given leading to financial loss. Cash and bank deposits are placed with banks and financial institutions which are regulated. Management does not expect any of its counterparties to fail to meet its obligations.

(b) Market risk

Market risk is the risk which will affect the Company's income or the value of its holding of financial instruments on account of changes in market prices, foreign exchange rates, interest rates and equity prices

a. Currency risk

Majority of the transactions entered into by the company are denominated in INR. Accordingly the company does not have any currency risk.

b. Interest rate risk

Interest rate is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company does not have any long term debt obligations with floating interest rates. Accordingly the company does not have any interest rate risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has a dedicated treasury management team on a group level which monitors on a daily basis the fund positions/requirements of the Company. The treasury management team plans the cash flows of the Company by planning and identifying future mismatches in funds availability and reports the planned & current liquidity position to the top management and Board of Directors of the Company.

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows:

(Rs. in thousands)

March 31, 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial assets				
- Cash and cash equivalents	117.68	-	-	117.68
	117.68	-	-	117.68
Non-derivative financial liabilities				
- Other financial liabilities	258.04	-	-	258.04
	258.04	-	-	258.04

(Rs. in thousands)

March 31, 2019	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial assets				
- Cash and cash equivalents	73.65	-	-	73.65
	73.65	-	-	73.65
Non-derivative financial liabilities				
- Other financial liabilities	45.40	-	-	45.40
	45.40	-	-	45.40

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the year ended March 31, 2020****Note 18: Auditors' remuneration:****(Rs. in thousands)**

Particulars	March 31, 2020	March 31, 2019
Statutory audit fees (exclusive of applicable taxes)	10.00	10.00

Note 19: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to optimize the shareholder value.

The Company manages the capital structure based on an adequate gearing which yields higher share holder value which is driven by the business requirements for capital expenditure and cash flow requirements for operations and plans of business expansion and consolidation. Accordingly based on the relative gearing and effective operating cash flows generated, the Company manages the capital either by raising required funds through debt or equity. The current capital and net debt position is as follows:

(Rs. in thousands)

Particulars	March 31, 2020	March 31, 2019
Borrowings	-	-
Net debt	-	-
Capital - equity attributable to the equity holders	(141.46)	28.25
Capital and net debt	(141.46)	28.25

Note 20:**Impact of COVID 19**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19.

In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings in view of COVID – 19 as at the date of approval of these financial statements.

The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of**Embassy One Commercial Property Developments Private Limited****Ravindranath N**

Partner

Membership No: 209961

Narpat Singh Choraria

Director

DIN: 00027580

Shaina Ganapathy

Director

DIN: 001777973

Place : Bengaluru**Date : May 22, 2020****Place : Bengaluru****Date : May 22, 2020**

INDEPENDENT AUDITOR'S REPORT

To the Members of Embassy One Commercial Property Developments Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Embassy One Commercial Property Developments Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the period July 03, 2018 to March 31, 2019, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, changes in equity and its cash flows for the period July 03, 2018 to March 31, 2019.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on matters specified in the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to explanation given to us, the said order is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The Company has been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls (clause (i) of section 143 (3)).
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **H R A & Co.**

Chartered Accountants

Firm Registration Number: 010005S

Ravindranath. N

Partner

Membership Number: 209961

Date: **May 06, 2019**

Place: **Bengaluru**

Embassy One Commercial Property Developments Private Limited

Balance sheet as at March 31, 2019

(Rs. in thousands)

Particulars	Note	March 31, 2019
Assets		
Current assets		
Financial assets		
- Cash and cash equivalents	3	73.65
Total current assets		73.65
Total assets		73.65
Equity and liabilities		
Equity		
Equity share capital	4	100.00
Other equity	5	(71.75)
Total equity		28.25
Liabilities		
Current liabilities		
Financial liabilities		
- Other financial liabilities	6	45.40
Total current liabilities		45.40
Total equity and liabilities		73.65

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Ravindranath N

Partner

Membership No: 209961

Narpat Singh Choraria

Director

DIN: 00027580

Aditya Virwani

Director

DIN: 06480521

Place : Bengaluru

Date : May 06, 2019

Place : Bengaluru

Date : May 06, 2019

Embassy One Commercial Property Developments Private Limited
Statement of profit and loss for the period ended March 31, 2019

(Rs. in thousands)

Particulars	Note	For the period from July 3, 2018 to March 31, 2019
Total income		-
Expenses		
Other expenses	7	71.75
Total expenses		71.75
Profit/(loss) before tax		(71.75)
Tax expense		
Current tax	9	-
Profit/(loss) for the period		(71.75)
Other comprehensive income (OCI)		
- Not to be reclassified to statement of profit and loss in subsequent periods		-
Total comprehensive income for the period		(71.75)
Earning per share (equity shares, par value of Rs. 10 each)		
Basic and diluted (Rs.)	10	(9.66)

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Ravindranath N

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Director

DIN: 06480521

Place : Bengaluru

Date : May 06, 2019

Place : Bengaluru

Date : May 06, 2019

Embassy One Commercial Property Developments Private Limited

Cash flow statement for the period ended March 31, 2019

(Rs. in thousands)

Particulars	For the period from July 3, 2018 to March 31, 2019
Cash flow from operating activities:	
Profit / (loss) before tax	(71.75)
Operating cash flow before working capital changes	(71.75)
Changes in	
- Increase / (decrease) in other financial liabilities	45.40
Cash (used in)/ generated from operations	(26.35)
- Direct taxes paid (net of refunds)	-
Net cash generated /(used in) operating activities	(26.35)
Cash flow from financing activities:	
- Proceeds from issue of share capital	100.00
Net cash generated from financing activities	100.00
Net (decrease)/ increase in cash and cash equivalents	73.65
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period (refer note 3)	73.65

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Ravindranath N

Partner

Membership No: 209961

Place : Bengaluru

Date : May 06, 2019

Narpat Singh Choraria

Director

DIN: 00027580

Place : Bengaluru

Date : May 06, 2019

Aditya Virwani

Director

DIN: 06480521

Embassy One Commercial Property Developments Private Limited
Statement of changes in equity for the period ended March 31, 2019

(A) Equity share capital

(Rs. in thousands)	
Particulars	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid up	
Balance as at July 03, 2018	-
Changes during the period	100.00
Balance as at March 31, 2019	100.00

(B) Other equity

(Rs. in thousands)		
Particulars	Reserves and Surplus	Total other equity
	Retained earnings	
Balance as at July 03, 2018	-	-
Profit/(loss) for the period	(71.75)	(71.75)
Balance as at the March 31, 2019	(71.75)	(71.75)

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Ravindranath N

Partner

Membership No: 209961

Narpat Singh Choraria

Director

DIN: 00027580

Aditya Virwani

Director

DIN: 06480521

Place : Bengaluru

Date : May 06, 2019

Place : Bengaluru

Date : May 06, 2019

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

Note 1: Company overview

Embassy One Commercial Property Developments Private Limited ('the Company') was incorporated on July 03, 2018. The Company has been formed primarily for carrying on business of real estate development. The company identification number of the Company is U70109KA2018PTC114487. The Company is incorporated in India and the registered office is at Bengaluru, India.

Note 2: Significant accounting policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Financial statements for the year ended March 31, 2019 are the Company's first financials and have been prepared in Ind-AS financial statements. The Company has adopted all the applicable Ind-AS standards.

The financial statements have been prepared on a historical cost basis, except for certain financial assets which is measured at fair value. The financial statements are presented in INR and all values are rounded to the nearest thousand, except when otherwise stated.

b. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is:

- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d. Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful life)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Act.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

De-recognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of de-recognition.

e. Impairment of assets

Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount (ie, the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit's exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit and loss. The Company tests for impairment using the expected credit loss model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime Expected Credit Loss. Life time Expected Credit Loss are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month Expected Credit Loss is a portion of the lifetime Expected Credit Loss which results from default events on a financial instrument that are possible within 12 months after the reporting date.

Impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected in a separate line in the statement of profit and loss as an impairment gain or loss. For financial assets measured at amortised cost, expected credit loss is presented as an allowance which reduces the net carrying amount of the financial asset.

f. Borrowing costs

Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred, except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for its intended use in which case it is capitalised. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

Interest income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

Dividends

Dividends is recognised when the Company's right to receive the payment is established, which is generally when shareholders of the Investee Company approve the dividend.

h. Foreign currency

Functional currency

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of foreign operations. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to statement of profit and loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item.

i. Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian income tax act, 1961.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current income tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in the other comprehensive income or in the equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

j. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

k. Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

l. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and bank balance consist of cash and cash equivalents and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities.

m. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

n. Fair value measurement

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through statement of profit and loss.

Financial liabilities are classified as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through statement of profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

(iv) Equity investments

All equity investments with the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as financial assets at fair value through statement of profit and loss. Equity instruments included within the financial assets at fair value through statement of profit and loss category are measured at fair value with all changes recognised in the statement of profit and loss.

(v) Financial liabilities

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	Financial assets at fair value through statement of profit and loss	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in statement of profit and loss.
Financial assets at fair value through statement of profit and loss	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. Effective interest rate is calculated based on the new gross carrying amount.
Amortized cost	Financial assets at fair value through other comprehensive income	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in other comprehensive income. No change in effective interest rate due to reclassification.
Financial assets at fair value through other comprehensive income	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in other comprehensive income is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
Financial assets at fair value through statement of profit and loss	Financial assets at fair value through other comprehensive income	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
Financial assets at fair value through other comprehensive income	Financial assets at fair value through statement of profit and loss	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in other Comprehensive income is reclassified to statement of profit and loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instrument

A financial asset is primarily derecognised when:

The rights to receive the cash flows from the asset have expired or

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

p. Share capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effects.

q. Recent accounting pronouncements (standards issued but not yet effective)

Ind AS 116 *Leases* was notified in March 30, 2019 and it replaces Ind AS 17 *Leases*, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards, if applicable, when they become effective. As the Company does not have any material leases, the adoption of this standard is not likely to have a material impact in its standalone Ind AS financial statements.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

		(Rs. in thousands)
Particulars		March 31, 2019
Note 3:	Cash and cash equivalents	
	Balances with banks	
	- In current accounts	73.65
		73.65

		(Rs. in thousands)
Particulars		March 31, 2019
Note 4:	Equity share capital	
	Authorised	
	10,000 equity shares of Rs. 10/- each	100.00
		100.00
	Issued, subscribed and fully paid-up capital	
	10,000 equity shares of Rs. 10/- each	100.00
		100.00

(a) The details of shareholder holding more than 5 percent equity shares in the Company is as below:

Name of the shareholder	March 31, 2019	
	No. of shares	% holding
Embassy Property Developments Private Limited (Holding Company)	9,999	99.99%
	9,999	99.99%

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	March 31, 2019	
	No. of shares	Rs. in thousands
At the beginning of the year	-	-
Issued during the year	10,000	100.00
Outstanding at the end of the year	10,000	100.00

(c) Rights, entitlements and obligations attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders' meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Buy back of equity shares and equity shares allotted by way of bonus shares or for consideration other than cash:

There have been no buy back of shares, issue of shares by way of bonus share or issue of share pursuant to contract without payment being received in cash for the current period.

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

		(Rs. in thousands)
Particulars		March 31, 2019
Note 5:	Other equity	
	Retained earnings (refer note a below)	
	At the beginning of the year	-
	Profit/(loss) during the year	(71.75)
	At the end of the year	(71.75)
		(71.75)

(a) The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the statement of profit and loss to retained earnings.

		(Rs. in thousands)
Particulars		March 31, 2019
Note 6:	Other financial liabilities	
	Other payable	45.40
		45.40

Embassy One Commercial Property Developments Private Limited

Notes to financial statements for the period ended March 31, 2019

		(Rs. in thousands)
		For the period from July 3, 2018 to March 31, 2019
Particulars		
Note 7: Other expenses		
Professional fees		57.39
Audit fees		10.00
Rates and taxes		4.24
Miscellaneous expenses		0.12
		71.75

Note 8: Contingent liabilities, commitments and contingent assets

There are no contingent liabilities and there are no contracts remaining to be executed on capital account and not provided for as at the balance sheet date. Further, there are no commitments as on March 31, 2019.

Note 9: A: Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

		(Rs. in thousands)
		For the period from July 3, 2018 to March 31, 2019
Particulars		
Accounting profit / (loss) before income tax		(71.75)
Tax at the Indian tax rate of 26%		(18.66)
Effect of:		
Deferred tax asset not created on losses		18.66
At the effective income tax rate is nil		-
Income tax expense reported in the statement of profit and loss		-

B: Unrecognised deferred tax assets:

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits there from

Tax losses	18.66

Note 10: Earnings per share (EPS)

The following reflects the profit/(loss) and weighted average number of shares data used in the basic and diluted Earnings Per Share computation:

Particulars	Period ended March 31, 2019
Profit/(loss) for the period for calculating basic and diluted earnings per share (Rs. in thousands)	(71.75)
Weighted average number of equity shares for calculating basic and diluted earnings per share	7,425

Note 11: Segment information

The Company is primarily engaged in the business of real estate development, which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India, which is considered as a single geographical segment.

Note 12: Expenditure on corporate social responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended March 31, 2019.

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the period ended March 31, 2019****Note 13: Related party disclosure:****(a) Names of related parties where control exists irrespective of whether transactions have occurred or not:**

Ultimate holding company	J V Holding Private Limited
Holding company	Embassy Property Developments Pvt Ltd

(b) There are no transactions with related parties

Note 14: The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro, small and medium enterprises should mention in their correspondence with its customers the Entrepreneur Memorandum Number as allocated after filing of the Memorandum in accordance with the MSMED Act. Accordingly the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the financial statements based on the information received and available with the Company. The Company does not have any dues to Micro, small and Medium enterprises as at March 31, 2019. Hence no disclosures are required for the same.

Note 15: Disclosure on financial assets and financial liabilities

(Rs. in thousands)

Particulars	Carrying value as at March 31, 2019
Financial assets measured at amortised cost:	
- Cash and cash equivalents	73.65
	73.65
Financial liabilities measured at amortised cost:	
- Other financial liabilities	45.40
	45.40

The management assessed that the carrying value of the cash and cash equivalents and other current financial liabilities approximate their fair values.

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the period ended March 31, 2019****Note 16: Financial instruments - risk management**

The Company's financial assets majorly comprise of cash & cash equivalents.

The Company is exposed to credit risk, liquidity risk and market risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions affecting business operations and the Company's activities.

(a) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or loans given leading to financial loss. Cash and bank deposits are placed with banks and financial institutions which are regulated. Management does not expect any of its counterparties to fail to meet its obligations.

(b) Market risk

Market risk is the risk which will affect the Company's income or the value of its holding of financial instruments on account of changes in market prices, foreign exchange rates, interest rates and equity prices

a. Currency risk

Majority of the transactions entered into by the company are denominated in INR. Accordingly the company does not have any currency risk.

b. Interest rate risk

Interest rate is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company does not have any long term debt obligations with floating interest rates. Accordingly the company does not have any interest rate risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has a dedicated treasury management team on a group level which monitors on a daily basis the fund positions/requirements of the Company. The treasury management team plans the cash flows of the Company by planning and identifying future mismatches in funds availability and reports the planned & current liquidity position to the top management and Board of Directors of the Company.

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows:

(Rs. in thousands)

March 31, 2019	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial assets				
- Cash and cash equivalents	73.65	-	-	73.65
	73.65	-	-	73.65
Non-derivative financial liabilities				
- Other financial liabilities	45.40	-	-	45.40
	45.40	-	-	45.40

Note 17: Auditors' remuneration:

(Rs. in thousands)

Particulars	March 31, 2019
Statutory audit fees (exclusive of applicable taxes)	10.00

Embassy One Commercial Property Developments Private Limited**Notes to financial statements for the period ended March 31, 2019****Note 18: Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to optimize the shareholder value.

The Company manages the capital structure based on an adequate gearing which yields higher share holder value which is driven by the business requirements for capital expenditure and cash flow requirements for operations and plans of business expansion and consolidation. Accordingly based on the relative gearing and effective operating cash flows generated, the Company manages the capital either by raising required funds through debt or equity. The current capital and net debt position is as follows:

(Rs. in thousands)	
Particulars	March 31, 2019
Borrowings	-
Net debt	-
Capital - equity attributable to the equity holders	28.25
Capital and net debt	28.25

Note 19: The current year financial statements are the first financial statements of the Company. The financial statements have been prepared for the period from July 03, 2018 to March 31, 2019 and hence there are no comparatives.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

For and on behalf of the board of directors of

Embassy One Commercial Property Developments Private Limited

Ravindranath N

Partner

Membership No: 209961

Narpat Singh Choraria

Director

DIN: 00027580

Aditya Virwani

Director

DIN: 06480521

Place : Bengaluru

Date : May 06, 2019

Place : Bengaluru

Date : May 06, 2019

Report On Review of Special Purpose Financial Statements

To,

Board of Directors

Embassy One Commercial Property Developments Private Limited
No.150, Embassy Point, 1st Floor, Infantry Road, Bengaluru – 560 001

We have reviewed the accompanying Special Purpose financial statements of Embassy One Commercial Property Developments Private Limited ("the Company") which comprise the Special purpose Balance Sheet as at December 31, 2021, the Special purpose Statement of Profit and Loss (including Other Comprehensive Income) for nine months period ended on that date, the Special purpose Statement of Changes in Equity and the Special purpose Statement of Cash Flows for the nine months period ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Special purpose financial statements"). The special purpose financial statements have been prepared by the management in accordance with Note 2 on the basis of the preparation of the special purpose financial statements.

The Company's Board of Directors is responsible for the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity in accordance with the basis as described in Note 2 of the special purpose financial statements.

Our responsibility is to express a conclusion on this special purpose financial statements based on our review.

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying special purpose financial statements is not prepared, in all material respects, in accordance with Note 2 to the special purpose financial statements.

These special purpose financial statements have been prepared by the management of Embassy One Commercial Property Developments Private Limited, and this report thereon issued, solely for the purpose of the management to be included in the special purpose consolidated financial statement of Nam Estates Private Limited to be presented in the private placement document for the proposed fund raise by Indiabulls Real Estate Limited. Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

For **HRA & Co.**

Chartered Accountants

Firm Registration No. 0100005S

Ravindranath N

Partner

Membership No: 209961

UDIN: 22209961ADUQVZ2805

Place: Bengaluru

Date: February 22, 2022

Embassy One Commercial Property Developments Private Limited
Special purpose interim balance sheet as at December 31, 2021

(Rs. in thousands)

Particulars	December 31, 2021
Assets	
Current assets	
Financial assets	
- Trade receivables	25,480.90
Other non-financial assets	1,841.36
Total current assets	27,322.26
Total assets	27,322.26
Equity and liabilities	
Equity	
Equity share capital	100.00
Other equity	(319.14)
Total equity	(219.14)
Liabilities	
Current liabilities	
Financial liabilities	
Trade payables	
Total outstanding dues to micro enterprises and small enterprises	50.94
Total outstanding dues to creditors other than micro enterprises and small enterprises	27,489.96
Other non-financial liabilities	0.50
Total current liabilities	27,541.40
Total equity and liabilities	27,322.26

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

**For and on behalf of the board of directors of
Embassy One Commercial Property Developments
Private Limited**

Ravindranath N

Partner

Membership No: 209961

Place : Bengaluru

Date : February 22, 2022

Narpat Singh Choraria

Director

DIN: 00027580

Place : Bengaluru

Date : February 22, 2022

Shaina Ganapathy

Director

DIN: 01777973

Embassy One Commercial Property Developments Private Limited
Special purpose interim statement of profit and loss for the period ended December 31, 2021

(Rs. in thousands)

Particulars	December 31, 2021
Revenue from operations	14,429.28
Expenses	
Maintenance expenses	14,358.48
Other expenses	70.15
Total expenses	14,428.63
Profit/(loss) before tax	0.65
Tax expense	
Current tax	-
Profit/(loss) for the period/year	0.65
Other comprehensive income (OCI)	
- Profit/(loss) for the period/year	0.65
- Not to be reclassified to statement of profit and loss in subsequent periods	-
Total comprehensive income for the period	0.65
Earning per share (equity shares, par value of Rs. 10 each)	
Basic and diluted (Rs.)	0.07

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date
for HRA & Co.,
Chartered Accountants
Firm Registration number : 010005S

For and on behalf of the board of directors of
Embassy One Commercial Property Developments
Private Limited

Ravindranath N
Partner
Membership No: 209961

Narpat Singh Choraria
Director
DIN: 00027580

Shaina Ganapathy
Director
DIN: 01777973

Place : Bengaluru
Date : February 22, 2022

Place : Bengaluru
Date : February 22, 2022

Embassy One Commercial Property Developments Private Limited
Special purpose cash flow statement for the period ended December 31, 2021

(Rs. in thousands)

Particulars	December 31, 2021
Cash flow from operating activities:	
Profit / (loss) before tax	0.65
Adjustments:	
- Time value adjustment - preference shares	-
Operating cash flow before working capital changes	0.65
Changes in	
- Increase / (decrease) in trade payable	16,230.05
- Increase / (decrease) in other non-financial liabilities	(1,801.44)
- (Increase) / decrease in trade receivable	(14,429.26)
- (Increase) / decrease in other non-financial assets	-
Cash (used in) / generated from operations	-
- Direct taxes paid (net of refunds)	-
Net cash generated / (used in) operating activities	-
Net Cash (used in) Investing Activities	-
Net cash generated from financing activities	-
Net (decrease) / increase in cash and cash equivalents	-
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period / year (refer note 3)	-

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date

for HRA & Co.,

Chartered Accountants

Firm Registration number : 010005S

**For and on behalf of the board of directors of
Embassy One Commercial Property Developments
Private Limited**

Ravindranath N

Partner

Membership No: 209961

Place : Bengaluru

Date : February 22, 2022

Narpat Singh Choraria

Director

DIN: 00027580

Place : Bengaluru

Date : February 22, 2022

Shaina Ganapathy

Director

DIN: 01777973

Embassy One Commercial Property Developments Private Limited
Special purpose interim statement of changes in equity for the period ended December 31, 2021

A. Equity share capital		(Rs. in thousands)
Particulars		Amount
Balance as at April 01, 2021		100.00
Changes during the period		-
Balance as at December 31, 2021		100.00

B. Other equity		(Rs. in thousands)
Particulars	Reserves and Surplus	Total other equity
	Retained earnings	
Balance as at April 01, 2021	(319.79)	(319.79)
Profit/(loss) for the period	0.65	0.65
Balance as at December 31, 2021	(319.14)	(319.14)

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date

for HRA & Co.,
Chartered Accountants
Firm Registration number : 010005S

For and on behalf of the board of directors of
Embassy One Commercial Property Developments
Private Limited

Ravindranath N
Partner
Membership No: 209961

Narpat Singh Choraria
Director
DIN: 00027580

Shaina Ganapathy
Director
DIN: 01777973

Place : Bengaluru
Date : February 22, 2022

Place : Bengaluru
Date : February 22, 2022

Embassy One Commercial Property Developments Private Limited
Notes to special purpose interim financial statements for the period ended December 31, 2021

Note 1: Basis of preparation

These special purpose interim financial information of the Company comprise of the special purpose interim balance sheet as at December 31, 2021, the special purpose interim statement of profit and loss (including other comprehensive income) and the special purpose interim statement of changes in equity for the nine months period then ended and other explanatory information (together hereinafter referred to as the "Special Purpose Interim Financial Information") and have been prepared by the Company's management, in connection with the proposed equity offering of the Company's proposed Ultimate Holding Company (Indiabulls Real Estate Limited) through Qualified Institutional Placement to be submitted to Securities and Exchange Board of India (SEBI), the National Stock Exchange of India Limited and the BSE Limited (together, the "Stock Exchanges") and Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi ('ROC') as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('SEBI ICDR Regulations') and Sections 42 and 62 of the Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended. Subject to relevant government approvals of the composite scheme of amalgamation between NAM Estates Private Limited and Embassy One Commercial Property Developments Private Limited with Indiabulls Real Estate Limited, the Company will become a wholly owned subsidiary of Indiabulls Real Estate Limited.

These Special Purpose Interim Financial Information of the Company have been prepared as per the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India. Further, comparative figures have not been included in these Special Purpose Interim Financial Information as per the requirements of Ind AS 34, since these are prepared for the limited purposes as specified above. The accounting policies followed in preparation of the Special Purpose Interim Financial Information are consistent with those followed in the most recent annual financial statements of the Company, i.e., for the year ended March 31, 2021.

Note 2: Contingent liabilities, commitments and contingent assets

There are no contingent liabilities and there are no contracts remaining to be executed on capital account and not provided for as at the balance sheet date. Further, there are no commitments as on December 31, 2021 (March 31, 2021 - Nil)

Note 3: Disclosure relating to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro, small and medium enterprises should mention in their correspondence with its customers the Entrepreneur Memorandum Number as allocated after filing of the Memorandum in accordance with the MSMED Act. Accordingly the disclosure in respect of the amounts payable to such enterprises as at December 31, 2021 has been made in the financial statements based on the information received and available with the Company.

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Embassy One Commercial Property Developments Private Limited
Notes to special purpose interim financial statements for the period ended December 31, 2021

Note 4: Related party disclosure:

A. Names of related parties where control exists irrespective of whether transactions have occurred or not:

Ultimate holding company	J V Holding Private Limited
Holding company	NAM Estates Private Limited
Entities with which transaction exists	Embassy Services Private Limited Lounge Hospitality LLP
Entities where control exists by the holding company	Embassy Property Developments Private Limited

B. Transactions with Related Parties :

Particulars	(Rs. in thousands)	
	December 31, 2021	March 31, 2021
Loan taken/Reimbursement of expenses		
Embassy Property Developments Pvt Ltd	1,897.52	9.28
Common Area Maintenance Charges		
Embassy Services Private Limited	14,358.48	9,439.19
Revenue from operations - common area maintenance services		
Lounge Hospitality LLP	14,429.28	9,486.38

C. Balances at the end of the year:

Particulars	(Rs. in thousands)	
	December 31, 2021	March 31, 2021
Trade payables		
Embassy Services Private Limited	25,339.40	11,053.85
Embassy Property Developments Private Ltd	2,118.26	220.74
Trade receivables		
Lounge Hospitality LLP	25,480.90	11,051.64

As per our report of even date
for HRA & Co.,
Chartered Accountants
Firm Registration number : 010005S

For and on behalf of the board of directors of
Embassy One Commercial Property Developments
Private Limited

Ravindranath N
Partner
Membership No: 209961

Narpat Singh Choraria
Director
DIN: 00027580

Shaina Ganapathy
Director
DIN: 01777973

Place : Bengaluru
Date : February 22, 2022

Place : Bengaluru
Date : February 22, 2022

Independent Auditor's Report

To the Members of Embassy One Developers Private Limited.

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Embassy One Developers Private Limited ('the Company'), which comprise the Balance sheet as at 31 March 2021, the Statement of profit and loss (including other comprehensive income), the Statement of cash flow and the Statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Board report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

11. The financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, NSVM & Associates, who have expressed an unmodified opinion on those financial statements vide their audit report dated 03 August 2020.

Report on Other Legal and Regulatory Requirements

12. Based on our audit we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year

ended on that date and our report dated 30 July 2021 as per Annexure II expressed unmodified opinion; and

- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in note 32 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021,
 - ii. the Company, as detailed in note 24 to the financial statements, has made provision as at 31 March 2021, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Kedia
Partner
Membership No.: 215834
UDIN: 21215834AAAACK2374

Place: Bengaluru
Date: 30 July 2021

Annexure I to the Independent Auditor's Report of even date to the members of Embassy One Developers, on the financial statements for the year ended 31 March 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The Company does not hold any immovable property (in the nature of 'property, plant & equipment'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- (ii) The Company is engaged in the business of real estate development and holds inventory in the form of property under development. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
 - (b) the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount is regular;
 - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
 - (b) The dues outstanding in respect of income-tax, goods and services tax, duty of customs, and value added tax on account of any dispute, are as follows:

Annexure I to the Independent Auditor's Report of even date to the members of Embassy One Developers, on the financial statements for the year ended 31 March 2021

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under Protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	10.49	Nil	AY 2016-17	Commissioner of Income Tax (Appeals), Bengaluru

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or any dues to debenture-holders during the year. The Company did not have any outstanding borrowings from a bank or government during the year.
- (ix) In our opinion, the Company has applied moneys raised by way of the term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Ashish Kedia

Partner

Membership No.: 215834

UDIN: 21215834AAAACK2374

Place: Bengaluru

Date: 30 July 2021

Annexure II to the Independent Auditor's Report of even date to the members of Embassy One Developers Private Limited on the financial statements for the year ended 31 March 2021

Independent Auditor's report on the internal financial controls with reference to the financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Embassy One Developers Private Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure II to the Independent Auditor's Report of even date to the members of Embassy One Developers Private Limited on the financial statements for the year ended 31 March 2021

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India .

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Ashish Kedia

Partner

Membership No.: 215834

UDIN: 21215834AAAACK2374

Bengaluru

Date: 30 JULY 2021

Embassy One Developers Private Limited
Balance sheet as at 31 March 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	0.01	0.04
Financial assets			
- Other financial assets	5	116.56	258.75
Deferred tax asset (net)	6	-	-
Other non-current assets	7	56.09	43.71
Total non-current assets		172.66	302.50
Current assets			
Inventories	8	8,764.44	8,311.60
Financial assets			
- Loans	9	406.01	1,286.87
- Cash and cash equivalents	10	6.35	8.35
- Bank balances other than cash and cash equivalents	11	60.48	-
- Other financial assets	12	389.19	190.79
Other current assets	13	1,035.96	1,171.02
Total current assets		10,662.43	10,968.63
Total assets		10,835.09	11,271.13
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,327.27	1,327.27
Equity component of compulsory convertible debentures	15	3,474.64	3,474.64
Other equity	16	(2,884.03)	(2,492.61)
Total equity		1,917.88	2,309.30
Non-current liabilities			
Financial liabilities			
- Borrowings	17	4,282.91	4,753.39
- Other financial liabilities	18	61.98	64.86
Provisions	19	0.33	0.32
Total non-current liabilities		4,345.22	4,818.57
Current liabilities			
Financial liabilities			
- Borrowings	20	308.34	-
- Trade payables			
Total outstanding dues of micro and small enterprises	21	152.17	151.54
Total outstanding dues of creditors other than micro and small enterprises	21	546.16	704.51
- Other financial liabilities	22	2,090.82	1,832.81
Other current liabilities	23	1,322.25	1,304.59
Provisions	24	152.25	149.81
Total current liabilities		4,571.99	4,143.26
Total equity and liabilities		10,835.09	11,271.13

Summary of significant accounting policies (Refer note 3)
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm registration number : 001076N/N500013

**For and on behalf of the Board of Directors of
Embassy One Developers Private Limited**

Ashish Kedia
Partner
Membership No. 215834

Rajesh Kaimal
Director
DIN : 03158687

Aditya Virwani
Director
DIN: 06480521

Shreyas Dwarki
Company Secretary
ACS No: 39470

Place: Bengaluru
Date: 30 July 2021

Place: Bengaluru
Date: 30 July 2021

Place : Bengaluru
Date: 30 July 2021

Place: Bengaluru
Date: 30 July 2021

Embassy One Developers Private Limited
Statement of profit and loss for the year ended 31 March 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	25	152.86	149.62
Other income	26	135.89	216.11
Total income		288.75	365.73
Expenses			
Cost of goods sold		129.07	148.40
Employee benefits expense	27	12.62	13.38
Finance costs	28	414.05	94.90
Depreciation and amortization expense	29	0.03	0.04
Other expenses	30	117.00	138.29
Provision for onerous contracts		7.60	84.91
Total expenses		680.37	479.92
Loss before tax		(391.62)	(114.19)
Tax expense			
- Current tax		-	-
- Deferred tax	6	-	-
Loss for the year		(391.62)	(114.19)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit (liability)/asset		0.20	(0.16)
Other comprehensive income for the year, net of tax		0.20	(0.16)
Total Comprehensive loss for the year		(391.42)	(114.35)
Earnings per share (equity shares, par value of ₹. 10 each)			
- Basic		(2.95)	(0.86)
- Diluted		(2.95)	(0.86)

Summary of significant accounting policies (Refer note 3)
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm registration number : 001076N/N500013

**For and on behalf of the Board of Directors of
Embassy One Developers Private Limited**

Ashish Kedia
Partner
Membership No. 215834

Rajesh Kaimal
Director
DIN : 03158687

Aditya Virwani
Director
DIN: 06480521

Shreyas Dwarki
Company Secretary
ACS No: 39470

Place: Bengaluru
Date: 30 July 2021

Place: Bengaluru
Date: 30 July 2021

Place: Bengaluru
Date: 30 July 2021

Place: Bengaluru
Date: 30 July 2021

Embassy One Developers Private Limited
Statement of cash flows for the year ended 31 March 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flows from operating activities		
Loss before tax	(391.62)	(114.19)
Adjustments for		
- Finance cost	414.05	94.90
- Depreciation and amortization expense	0.03	0.04
- Interest income	(134.55)	(215.66)
- Provision for onerous contracts	7.60	84.91
Operating cash flow before working capital changes	(104.49)	(150.00)
Changes in		
- Decrease in other assets	135.06	330.28
- (Increase)/ decrease in other financial assets	(5.32)	4.49
- Increase in inventories	(7.33)	(927.38)
- Increase/ (decrease) in trade payables	(157.73)	28.09
- Decrease in Provisions	(4.95)	(13.69)
- Increase/ (decrease) in other financial liabilities	(36.15)	6.07
- Increase/ (decrease) in other liabilities	17.66	(71.51)
Cash generated from operations	(163.25)	(793.65)
Income taxes paid (net of refunds)	(12.38)	(25.08)
Cash used in operating activities	(175.63)	(818.73)
Cash flows from investing activities		
Interest received	33.55	49.12
Maturity of fixed deposits	63.36	527.00
Receipts from Inter-corporate deposit	880.86	1,018.06
Investment in earmarked accounts	(60.48)	-
Net cash generated from investing activities	917.29	1,594.18
Cash flows from financing activities		
Repayment from borrowings	(206.36)	(58.95)
Proceeds from borrowings	308.34	-
Interest paid	(845.65)	(845.77)
Net cash used in financing activities	(743.67)	(904.72)
Decrease in cash and cash equivalents	(2.00)	(129.27)
Cash and cash equivalents at the beginning of the year	8.35	137.62
Cash and cash equivalents at the end of the year	6.35	8.35
Components of cash and cash equivalents (refer note 11)		
Balances with banks:		
- in current accounts	6.35	3.35
- in fixed deposits	-	5.00
Cash and cash equivalents at the end of the year	6.35	8.35

The notes referred to above form an integral part of the financial statements

As per our report of even date

for Walker Chandio & Co LLP

Chartered Accountants

Firm's registration number: 001076N/N-500013

for and on behalf of the Board of Directors of

Embassy One Developers Private Limited

Ashish Kedia

Partner

Membership No. 215834

Rajesh Kaimal

Director

DIN : 03158687

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Director

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Date: 30 July 2021

Place : Bengaluru

Date: 30 July 2021

Place : Bengaluru

Date: 30 July 2021

Place : Bengaluru

Date: 30 July 2021

Embassy One Developers Private Limited
Statement of changes in equity for the year ended 31 March 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

A. Equity share capital

Particulars	Number of Shares	Amount
<i>Equity shares of Rs 10 each issued, subscribed and fully paid</i>		
Balance as at 1 April 2019	132.73	1,327.27
Changes during the year	-	-
Balance as at 31 March 2020	132.73	1,327.27
Changes during the year	-	-
Balance as at 31 March 2021	132.73	1,327.27

B. Other equity

Particulars	Equity component of compulsorily convertible debentures	Reserves & Surplus	Other comprehensive income	Total other equity
		Accumulated Deficit	Remeasurement of defined benefit liability/ (asset)	
Balance as at 1 April 2019	3,474.64	(2,378.26)	-	1,096.38
Net loss during the year	-	(114.19)	(0.16)	(114.35)
Balance as at 31 March 2020	3,474.64	(2,492.45)	(0.16)	982.03
Adjustments	-	-	-	-
Net profit/(loss) during the year	-	(391.62)	0.20	(391.42)
Balance as at 31 March 2021	3,474.64	(2,884.07)	0.04	590.61

Summary of significant accounting policies (Refer note 3)
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm registration number : 001076N/N500013

**For and on behalf of the Board of Directors of
Embassy One Developers Private Limited**

Ashish Kedia
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Place: Bengaluru
Date: 30 July 2021

Place: Bengaluru
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Place : Bengaluru
Date: 30 July 2021

Place : Bengaluru
Date: 30 July 2021

Embassy One Developers Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

1 Company background

Embassy One Developers Private Limited (the 'Company') was incorporated on 10 August 2007 under the Companies Act, 1956 having CIN number U45202KA2007PTC084541. The Company was incorporated in Bengaluru, India as ETA Star Citi Centre Bangalore Limited which was changed to City View Bangalore Properties Private Limited. The Company's name was further changed to Embassy One Developers Private Limited on 4 June 2015. The objective of the Company is to develop office space, retail, hotel and residential construction and related interiors in Bangalore. The registered office of the Company is at Bangalore, Karnataka. The Company is engaged in the construction and development of a residential apartments project i.e., the Four Seasons residences.

2 Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements were authorised for issue by the Company's Board of Directors on 30 July 2021.

Further, owing to the transfer of the hotel, office and retail operations of the Company in FY 2018-19, which comprised the largest segments of the Company's business, the Company has evaluated its ability to sustain its operations in the foreseeable future. Considering the net positive cash flow projections from the operations (sale of residential apartment units), continued committed financial support from the holding company and access to lines of credit, Management believes that the company will not have any challenge in meeting its financial obligations for the next 12 Months from the date of the financial statements.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All the amounts have been presented in millions, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

a) Judgements

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 3.01 : Property, plant and equipment

2.5 Use of estimates and judgements (Cont'd)

b) Assumptions and estimations uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following note:

- Note 3.07 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 31 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.01- estimated useful life of property plant and equipment and
- Note 3.05 - impairment of assets

2.6 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 38: Financial Instruments

3 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.01 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives of items of property, plant and equipment are as follows:

Assets	Management estimate of useful life (years)	Useful life as per Schedule II of Companies Act, 2013
Office Equipments	5	5

Depreciation method, useful lives and residual values are reviewed at each financial period/year-end and adjusted if appropriate.

3.02 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

(i) Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in investment's fair value in OCI (designated as FVOCI - equity investment). The election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risk that affects the performance of the business model (and the financial asset held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of the financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

3.02 Financial instruments (Cont'd)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate futures;
- prepayments and extension features; and
- terms that limits the Company's claim to cash flows from specified assets (e.g. non-recourse feature)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL :

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost :

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised statement of profit and loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities : Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the extinguished liability and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.03 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing the properties to their present location and condition. The method of determination of cost for various categories of inventories is as follows:

Land, including transferable development rights, are valued at cost of acquisition. Cost includes acquisition cost and related development charges. Finished stocks of constructed properties are valued at their cost of construction / acquisition.

The net realisable value of work in progress is determined with reference to the selling prices of related constructed property. Raw materials and other supplies held for use in construction of property are not written below cost except in cases where material prices have declined and it is estimated that the cost of constructed property will exceed their net realisable value.

3.04 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and bank balance consist of cash and cash equivalents and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities.

3.05 Impairment of assets

i. Impairment of financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit and loss. The Company tests for impairment using the expected credit loss model for financial assets such as loans and advances to be settled in cash.;

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime Expected Credit Loss. Life time Expected Credit Loss are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month Expected Credit Loss is a portion of the lifetime Expected Credit Loss which results from default events on a financial instrument that are possible within 12 months after the reporting date.

Impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected in a separate line in the statement of profit and loss as an impairment gain or loss. For financial assets measured at amortised cost, expected credit loss is presented as an allowance which reduces the net carrying amount of the financial asset.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

ii. Impairment of non-financial assets

The Company assesses long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

3.06 Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Onerous contracts

A Contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3.07 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at exchange rate at the date of transaction. Exchange differences are recognised in profit and loss account, except exchange difference arising from transaction of the following items which are recognised in OCI.

- equity investment at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in foreign operation to the extent that the hedge is effective and
- qualifying cash flow hedges to the extent that the hedges are effective

3.08 Revenue recognition

Revenue is recognised based on Ind AS 115, which states that revenue needs to be recognised when an entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. Ind AS 115 is based on a five-step model:

- 1) Identify the contract with the customer
- 2) Identify the performance obligations
- 3) Determine the transaction price
- 4) Allocate the transaction price
- 5) Recognize revenue when (or as) performance obligations are satisfied

Revenue is recognized upon transfer of control of residential units to customers and on completion of critical obligation as per the customer contract, in an amount that reflects the consideration the Company expects to receive in exchange for those residential units. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units and on completion of critical obligation as per the customer contract.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

3.09 Interest Income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

3.10 Borrowing costs

Borrowing costs are recognised in the Statement of Profit or Loss in the period in which they are incurred, except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for its intended use in which case it is capitalised. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.11 Taxes

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised in respect of carried forward tax losses and tax credits because it is not probable that future taxable profit will be available against which the Company can use the benefits thereof.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.12 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3.13 Employee benefits

a) Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

b) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive income in the period in which they occur.

3.13 Employee benefits (Cont'd)

Gratuity scheme is administered through a trust with the Life Insurance Corporation of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

c) Short-term benefit plans

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized and measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

3.14 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

3.15 Subsequent events

These financial statements are adjusted to reflect events that occur after the reporting date but before the financial statements are issued.

3.16 Statement of Cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

3.17 Operating segments

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in the business of business of real estate development and has no other reportable segments. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segments assets, the total amount of charge for depreciation during the year are all as reflected in the financial statements. As the Company operates in India alone, no separate geographical segment is disclosed.

3.18 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

On 24 March, 2021 the Ministry of Corporate Affairs through a notification, amended Schedule III of the Companies Act, 2013. The Amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key Amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are :

Balance sheet items

- Lease Liabilities will be separately disclosed under the head 'financial liabilities' duly distinguished as current or non
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format as for disclosure of shareholding of the promoters.
- Specified format for ageing schedule for trade receivables, trade payables, Capital work in progress, and intangible assets under development.
- If the Company has not used the funds for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosures under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds on immovable property not held in the name of Company, loans and advances to promoters, directors, Key managerial Personnel (KMP) and related parties, details of

Statements of profit and loss

- Additional disclosures relating to Corporate Social responsibility (CSR), Undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of standalone financial statements.

Note: The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Embassy One Developers Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

4 Property, plant and equipment (PPE)

Particulars	Office equipments	Total
Gross carrying value		
Balance as at 1 April 2019	0.18	0.18
Additions	-	-
Disposals	-	-
Balance as at 31 March 2020	0.18	0.18
Balance as at 1 April 2020	0.18	0.18
Additions	-	-
Disposals	-	-
Balance as at 31 March 2021	0.18	0.18
Accumulated depreciation		
Balance as at 1 April 2019	0.10	0.10
Charge for the year	0.04	0.04
Disposals	-	-
Balance as at 31 March 2020	0.14	0.14
Balance as at 1 April 2020	0.14	0.14
Charge for the year	0.03	0.03
Disposals	-	-
Reversal of provision for impairment	-	-
Balance as at 31 March 2021	0.17	0.17
Carrying amounts (net):		
As at 31 March 2020	0.04	0.04
As at 31 March 2021	0.01	0.01

5 Other non-current financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Fixed deposit accounts with banks (refer note A below)	110.61	250.34
Interest accrued on bank deposits	0.58	8.41
Security deposits	7.45	2.08
Less : Provision for doubtful advances	(2.08)	(2.08)
	116.56	258.75
Note A:		
Held as lien against margin money for bank guarantees	110.61	250.34

6 Deferred tax assets, net

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities on		
Temporary difference on compound financial instruments	18.75	18.94
Temporary difference on borrowings	13.81	24.48
Deferred tax assets on		
Carried forward tax losses (restricted to the deemed tax liability)	(32.56)	(43.43)
	-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not currently probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	As at 31 March 2021	As at 31 March 2020
Carry forward business loss	1,336.27	1,070.50
	1,336.27	1,070.50

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

7 Other non-current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Advance tax, net of provision for tax	56.09	43.71
	56.09	43.71

8 Inventories (valued at lower of cost or net realisable value)

Particulars	As at 31 March 2021	As at 31 March 2020
Property under development (refer note below)	8,764.44	8,311.60
	8,764.44	8,311.60

Note:

a) Includes borrowing cost amounting to ₹ 2,877.90 million (31 March 2020: ₹ 2,447.26 million)

9 Loans

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
- Loans to related parties (refer note below)	406.01	1,286.87
	406.01	1,286.87

Note:
Repayment and Interest terms

INR 406.81 million (31 March 2020 : 1286.87 million) was advanced to Embassy Inn Private Limited, a related party.

The loan is repayable in full on demand along with interest if any.

The loan carries an interest rate of 12% p.a. on the principal value, interest is accrued annually.

10 Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	6.35	3.35
- in fixed deposit accounts with banks (original maturity less than 3 months)	-	5.00
	6.35	8.35

11 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in escrow accounts	60.48	-
	60.48	-

Note:

These balances relate to amounts to be specifically utilised for payment to vendors providing construction and related services in relation to inventories.

Embassy One Developers Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

12 Other current financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Security deposits	0.33	0.43
Interest accrued on bank deposits	8.71	0.08
Fixed deposit accounts with banks	77.24	0.87
Interest accrued on loans (refer note 37)	302.34	188.89
Other receivables	4.73	4.68
Less : provision for other receivables	(4.16)	(4.16)
	389.19	190.79

13 Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Advance to suppliers	221.22	356.84
Less : provision for advances	(54.63)	(54.63)
	166.59	302.21
Advance for purchase of Transferrable Development Rights (TDRs) (refer note 37)	810.00	810.00
Balances with government authorities (refer note 32 (i))	57.35	58.19
Prepaid expenses	1.77	0.53
Unbilled revenue	0.25	0.09
	1,035.96	1,171.02

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Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

14 Share capital

(a) Particulars	As at	As at
	31 March 2021	31 March 2020
Authorised		
140,000,000 (31 March 2020: 140,000,000) Equity shares of ₹ 10 each	1,400.00	1,400.00
10,000,000 (31 March 2020: 10,000,000) Redeemable preference shares of ₹ 10 each	100.00	100.00
	1,500.00	1,500.00
Issued, subscribed and fully paid up		
132,727,280 (31 March 2020: 132,727,280) Class A Equity shares of ₹ 10 each fully paid up	1,327.27	1,327.27
	1,327.27	1,327.27

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given				
	As at 31 March 2021		As at 31 March 2020	
	No of shares	Amount	No of shares	Amount
Number of shares at the beginning of the year	132,727,280	1,327.27	132,727,280	1,327.27
Add: Shares issued/converted during the year	-	-	-	-
Number of shares outstanding at the end of the	132,727,280	1,327.27	132,727,280	1,327.27

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2021		As at 31 March 2020	
	% of holding	No of shares	% of holding	No of shares
Class A Equity shares:				
WWD Pearl Limited, Mauritius	55.00%	73,000,000	55.00%	73,000,000
Embassy Inn Private Limited	45.00%	59,727,280	45.00%	59,727,280

(d) Rights, entitlements and obligations attached to equity shares:
Equity shares
(i) Class A share represents ordinary equity share of face value of ₹ 10 each in the Company.

- Each Class A equity shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- Each Class C equity shareholder is not eligible for voting rights
- All distributions made by the Company to its security holders will be made pro-rata in accordance with the security holders' percentage interest in the Company on fully dilutive basis and no party shall be entitled to seniority over the other in such payments.
- The shares held by Embassy Inn Private Limited to the extent of Nil (31 March 2020: 10.37%) of the total capital is pledged to Oriental Bank of Commerce and Indian Overseas Bank as a security for loans availed by the Company. During FY 2018-19, the Company has transferred the borrowing as part of business operations on a Going concern basis along with other assets and liabilities

(ii) The equity shareholders WWD Pearl Limited and Embassy Inn Private Limited known as "promoters" along with the holders of Compulsorily Convertible Debentures ("CCDs") known as "investors" together called as "security holders" have entered into an investment and shareholders agreement (ISHA) dated 6 October 2014:
The salient rights, preferences and restrictions of the equity shareholders as per ISHA include:

- The equity shares and CCDs held by the stakeholders jointly known as "securities" are not transferable for one year from the date of the ISHA agreement dated 6 October 2014. Subsequent to the lock-in date, the securities are transferable with the right of first offer to the other stakeholder through execution of deed of adherence.
- Promoters and investors have the power to appoint two directors each to the Board of Directors of the Company. The quorum for any meeting of the Board shall be the presence, in person, of such number of directors required under the Articles of Association, subject to the presence of at least one director each as nominated by the promoters and investors.
- Promoters have right to nominate the chairman of the meetings, however the chairman shall not have a casting vote.

(iii) As per the ISHA agreement, the Company shall convert the series A, B and D CCDs to class A shares. On conversion, the Company will issue class A shares by increasing the authorised capital. The Company shall convert the series C, E CCDs and Series F CCDs to class C shares. On conversion, the Company will issue class C shares by increasing the authorised capital. Class C share shall not carry any voting rights.
(e) Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares for consideration other than cash for the period of five years immediately preceding the balance sheet date.

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

15 Equity component of compulsorily convertible debentures

Particulars	As at	As at
	31 March 2021	31 March 2020
Equity component of 352,144,447 (31 March 2020: 352,144,447) compulsorily convertible debentures of Rs 10 each fully paid up	3,474.64	3,474.64
	3,474.64	3,474.64

Particulars of convertible debentures held by entities who exercise joint control:

(i) Series A - compulsorily convertible debentures

Name of debenture holders	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP VII SG City View Holding (NQ) Pte Ltd	15,040,560	150.41	15,040,560	150.41
b) BREP Asia SBS City View Holding (NQ) Ltd	285,742	2.86	285,742	2.86
c) BREP VII SBS City View Holding (NQ) Ltd	82,040	0.82	82,040	0.82
d) BREP Asia SG City View Holding (NQ) Pte Ltd	60,204,658	602.04	60,204,658	602.04
e) Embassy Inn Private Limited	59,387,000	593.87	59,387,000	593.87
	135,000,000	1,350.00	135,000,000	1,350.00

(ii) Series B - compulsorily convertible debentures

Name of debenture holders	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Amount	No. of debentures	Amount
a) Embassy Inn Private Limited	52,570,000	525.70	52,570,000	525.70
	52,570,000	525.70	52,570,000	525.70

Terms of the Series A and Series B compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2020 : 0.50% p.a)
Conversion terms	a) On the expiry of 20 years from the closing date i.e., 18 November 2007 b) 1 Class A equity shares to be issued for 10 Series A and Series B CCDs on mandatory and compulsory conversion [Class A Equity shares: CCDs - 1:10]
Conversion date	17 November 2027

(iii) Series C - compulsorily convertible debentures

Amount in INR million (except debenture data)

Name of debenture holders	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Amount	No. of debentures	Amount
a) Embassy Inn Private Limited	30,090,000	300.90	30,090,000	300.90
	30,090,000	300.90	30,090,000	300.90

Terms of the Series C compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2020 : 0.50% p.a)
Conversion terms	a) On the expiry of 20 years from the closing date i.e., 18 November 2007 b) 1 Class C equity shares to be issued for 1 Series C CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	17 November 2027

(iv) Series D - compulsorily convertible debentures

Name of debenture holders	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	48,747,304	487.47	48,747,304	487.47
b) BREP VII SG City View Holding (NQ) Pte Ltd	12,178,239	121.78	12,178,239	121.78
c) BREP Asia SBS City View Holding (NQ) Ltd	231,363	2.31	231,363	2.31
d) BREP VII SBS City View Holding (NQ) Ltd	66,427	0.66	66,427	0.66
	61,223,333	612.22	61,223,333	612.22

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

Terms of the Series D compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2020 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 22 December 2014 b) 1 Class A equity shares to be issued for 10 Series D CCDs on mandatory and compulsory conversion [Class A Equity shares: CCDs - 1:10]
Conversion date	21 December 2023

(v) Series E - compulsorily convertible debentures

Name of debenture holders	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	29,282,354	292.82	29,282,354	292.82
b) BREP VII SG City View Holding (NQ) Pte Ltd	7,315,431	73.15	7,315,431	73.15
c) BREP Asia SBS City View Holding (NQ) Ltd	138,979	1.39	138,979	1.39
d) BREP VII SBS City View Holding (NQ) Ltd	39,903	0.40	39,903	0.40
	36,776,667	367.76	36,776,667	367.76

Terms of the Series E compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2020 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 12 November 2014 (No. of debentures - 24,500,000) and 27 November 2014 (No. of debentures - 12,276,667) b) 1 Class C equity shares to be issued for 1 Series E CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	11 November 2023 and 26 November 2023

(vi) Series F - compulsorily convertible debentures

Name of debenture holders	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	15,978,374	159.78	15,978,374	159.78
b) BREP VII SG City View Holding (NQ) Pte Ltd	3,991,778	39.92	3,991,778	39.92
c) BREP Asia SBS City View Holding (NQ) Ltd	74,547	0.75	74,547	0.75
d) BREP VII SBS City View Holding (NQ) Ltd	21,747	0.22	21,747	0.22
e) Embassy Inn Private Limited	16,418,001	164.18	16,418,001	164.18
	36,484,447	364.85	36,484,447	364.85

Terms of the Series F compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2020 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 26 October 2016 b) 1 Class C equity shares to be issued for 1 Series F CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	25 October 2025

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Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

16 Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
Retained earnings		
At the commencement of the year	(2,492.45)	(2,378.26)
Add: Transferred from statement of profit and loss for the year	(391.62)	(114.19)
Balance at the end of the year	(2,884.07)	(2,492.45)
Other Comprehensive Income		
At the commencement of the year	(0.16)	-
Add: Remeasurement gain/(loss) on defined benefit plan	0.20	(0.16)
Balance at the end of the year	0.04	(0.16)
At the end of the year	(2,884.03)	(2,492.61)

17 Non-current borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Secured:		
Term loans from financial institutions		
- PNB Housing Finance Limited	4,191.27	4,670.30
Unsecured:		
Liability component of Compulsory convertible debentures (refer note 15)	91.64	83.09
	4,282.91	4,753.39

A) Construction finance (including current maturities of long-term debt) from PNB Housing Finance Ltd having an outstanding balance amounting to INR million ₹ 6,069.61 (31 March 2020 : ₹ 6,275.97 million) are secured by:

- First and exclusive charge by way of registered memorandum of entry (MOE) of unsold residential units on south and north tower along with undivided interest on project land measuring 281,770 sft and structure thereon.
- Hypothecation and escrow of total receivables of ₹ 116.42 million (sold and unsold) million of the project
- Letter of comfort from Embassy Property Development Private Limited

a) The amount sanctioned under the Facility shall be ₹ 7,000 million.

b) The purpose of the Facility is for the construction and development of the project - residential units of south and north towers.

c) The Facility shall carry a floating rate of interest currently 12.50% linked with PNBHFR.

d) The Facility shall be repaid in 42 monthly installments after the moratorium period of 18 months.

Based on RBI notification dated 23rd March 2020, the Company had applied for moratorium towards interest and principal repayments falling due for the month of March 2020 to May 2020. The said application for relief in payment of Interest and principal amount was approved by the Financial Institution for the Moratorium period ended on 31 May, 2020. Further, based on RBI's subsequent notification dated 23 May, 2020, the Company has requested for further extension of moratorium for further period till 31 August, 2020. The said application has been approved by the Financial Institution. The classification of the current maturities has been done based on the revised repayment schedule provided by the financial institution, post the receipt of moratorium approval.

Note : The above amounts include INR 1,878.34 million (31 March 2020 : 1,605.67 million) of loan balance disclosed as current maturities of long term debt under Note 22

18 Other non-current financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Retention dues	61.98	64.86
	61.98	64.86

19 Non-current Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for compensated absences	0.08	0.07
Provision for Gratuity (refer note 36)	0.25	0.25
	0.33	0.32

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

20 Current borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
- Loans from related parties (refer note 37)	308.34	-
	308.34	-

Note:
Repayment and Interest terms

INR 308.34 million was taken during the current year from Embassy Property Developments Private Limited, a related party.

The loan is repayable in full on demand along with interest if any.

The loan carries an interest rate of 12% p.a. on the principal value, interest is accrued annually.

21 Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payables		
- to micro and small enterprises (refer note 22 a)	152.17	151.54
- to related parties (refer note 37)	153.78	104.46
- to others	392.38	600.05
	698.33	856.05

22 Other current financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturity of long term debt		
- from financial institutions (refer note 17(A))	1,878.34	1,605.67
Interest accrued but not due		
- on term loans	31.69	22.27
- on inter corporate deposit	9.19	-
Retention dues	156.50	190.48
Other payables (refer note no 37)	15.10	14.39
	2,090.82	1,832.81

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Embassy One Developers Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)****(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)****a) Note:**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSME Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on information received and available with the Company. The Company has dues to micro and small enterprises as at 31 March 2021 which is depicted as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal & (ii) Interest	152.17	151.54
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest & (ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 (refer note no.33(v))	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year. The Company has not received any claim for interest during the year ended 31 March 2021 and 31 March 2020

23 Other current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Advance received for sale of properties	1,264.25	1,288.33
Statutory dues	57.77	15.98
Accrued salaries and benefits	0.23	0.28
	1,322.25	1,304.59

24 Current Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for compensated absences	0.02	0.01
Provision for onerous contracts	152.23	149.80
	152.25	149.81

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Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

25 Revenue from operations

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Proceeds from sale of land and properties under construction	152.86	149.62
	152.86	149.62

Disaggregation of Revenue

The disaggregated revenues from contracts with customers by customer type and contract type best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	Time of revenue recognition	Year ended 31 March 2021	Year ended 31 March 2020
Proceeds from sale of land and properties under construction	Point in time	152.86	149.62
		152.86	149.62

Net revenues based on customer

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Other parties	152.86	149.62
	152.86	149.62

Contract balances

Particulars	As at 31 March 2021	As at 31 March 2020
Contract Liabilities		
Advance received for sale of properties	1,264.25	1,288.33

Significant changes in contract liabilities balance during the year

Particulars	As at 31 March 2021	As at 31 March 2020
Advances received for sale of properties		
Opening balance	1,288.33	1,374.89
Additions during the year	128.78	63.06
Adjustment on account of revenue recognized during the year	(152.86)	(149.62)
Closing balance	1,264.25	1,288.33

Performance obligation

The Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units and on completion of critical obligation as per the customer contract.

26 Other income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest income on intercorporate deposits	122.65	208.74
Interest income on bank deposits	11.90	6.92
Miscellaneous income	1.34	0.45
	135.89	216.11

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)
27 Employee benefit expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and wages	11.49	12.52
Contribution to provident and other funds	0.39	0.57
Staff welfare expenses	0.74	0.29
	12.62	13.38

28 Finance costs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on debts and borrowings	414.05	86.29
Others	-	8.61
	414.05	94.90

29 Depreciation and amortization expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on property, plant and equipment (refer note 4)	0.04	0.04
	0.04	0.04

30 Other expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Selling and marketing expenses	9.49	8.26
Rates and taxes	16.18	11.33
Legal and professional fees (refer note 31)	7.15	3.79
Maintenance expense	48.42	74.63
Power and fuel	14.64	32.38
Insurance	3.62	2.75
Bank charges	13.18	1.71
Miscellaneous expenses	4.32	3.44
	117.00	138.29

31 Auditor's remuneration (included in legal and professional charges and excludes goods and services tax)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
As auditor		
- for statutory audit	1.25	1.00
- for tax audit	-	0.10
	1.25	1.10

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32 Contingent liabilities and commitments

Particulars	As at 31 March 2021	As at 31 March 2020
Contingent liabilities		
Claims against the Company not acknowledged as debt:		
- Income tax [Note (ii)]	10.49	10.49
- Other tax matters [Note (iii)]	-	-

Notes:

- (i) Balance with government authorities (refer note 13) consists of ₹ 57.35 million of CENVAT credit receivable relating to the period October 2007 to September 2010. The same was disallowed by the Service tax authorities and has issued show cause notice towards the same. The Company has disputed the same via replies to the show cause notice and appealed against the order with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Bengaluru. The CESTAT announced via its order dated 25 February 2020 that the appeal of the Company was partially favorable and partially remanded back to the Service tax authorities for arithmetical accuracy. As on 31 March 2021, no further orders or intimations have been received by the Company.
- (ii) The Company has received an Income tax demand of INR 10.49 millions for AY 2016-17 due to disallowance of business loss on grounds of non commencement of business. The Company has filed an appeal against the same and is pending for hearing with CIT Appeals, Bengaluru.
- (iii) The income tax assessment for the financial year 2008-09 and 2009-10 has been completed and a draft assessment order has been received, which contains a transfer pricing adjustment of INR 212.63 millions and INR 6.89 millions respectively, being disallowance of interest on CCDs capitalised in the books. However, there is no tax demand as per the order. The Company has filed an appeal u/s 246A(1)(a) of the Act as on 14 May 2013. As per the appeal the company has contested the disallowance made in respect of the interest capitalisation on Compulsory convertible debentures. The Company has received a favourable order and no further demand is expected.
- (iv) As per RERA regulations, if a promoter is unable to complete or give possession of an apartment, plot or building in accordance with the terms of agreement for sale, or as the case may be, duly completed by the date specified therein, he shall be liable to interest on demand of the allottee. Further this point has been absorbed in the construction agreement stating that a compensation would be payable to the allottee till the date of delivery in case of any delay caused. Since the management is of the opinion that the possibility of claim from the allottees are remote, the same has not been disclosed as a contingent liability.
- (v) The Company has a system for maintenance of documents and other relevant information in respect of amounts due by it to parties who are registered as micro and small enterprises. As at 31 March 2021, the amounts due to micro and small enterprises is INR 152.16 million out of which INR 152.16 million is outstanding for more than 45 days from the appointed day (as defined in the 2(b) of the MSME Act 2006). As per the MSME Act 2006, Section 16, where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank. In this case, the management contends that the creditors have not raised any interest demand yet and the company has not paid interest during the year, and hence the interest accrued under section 16 of the MSME Act is not provided for.

33 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the loss attributable to equity holders (after adjusting for saving in interest or dividend expenses, net of taxes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the loss and weighted average number of shares data used in the computation:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Loss after tax	(391.62)	(114.19)
Weighted average number of equity shares for calculating basic and diluted earnings per share	132.73	132.73
Basic earnings per share	(2.95)	(0.86)
Dilutive earnings per share	(2.95)	(0.86)

For Dilutive Earnings per share, the effect of conversion of the compulsory convertible debentures into equity shares are anti-dilutive in nature, hence they have not been considered for calculating the Dilutive earnings per share.

34 Segment information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "residential construction and related interiors"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considering necessary. The Company operates only in India. Hence no disclosure for geographical segment is considered necessary.

35 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit / (Loss) before tax	(391.62)	(114.19)
Tax at the Indian tax rate of 26.00% (31 March 2020: 26%)	(101.82)	(29.69)
Effect of:		
Differential tax on account of temporary differences not recognized	2.32	17.22
Differential tax on account of permanent differences	0.65	0.01
Current year loss on which no deferred Tax assets is recognized	98.85	12.46
Income tax expense reported in the statement of profit and loss	-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits there from:

Particulars	As at 31 March 2021	As at 31 March 2020
Carry forward business loss	1,336.27	1,070.50
	1,336.27	1,070.50

Expiration of losses carried forward

Particulars	As at 31 March 2021	As at 31 March 2020
31 March 2020	-	114.43
31 March 2021	257.70	257.70
31 March 2022	98.65	98.65
31 March 2023	128.70	128.70
31 March 2024	184.58	184.58
31 March 2026	286.44	286.44
31 March 2029	380.20	-

Unabsorbed depreciation loss amounting to ₹ 3.64 millions can be carried forward indefinitely.

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Embassy One Developers Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

36 Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure computed at 15 days of salary (last drawn salary) for each completed year of service. The defined benefit gratuity plan is not funded.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity plan.

Changes in the present value of the defined benefit obligation are as follows:-

Particulars	As at 31 March 2021	As at 31 March 2020
Opening defined benefit obligation	0.25	0.40
Interest cost	0.02	0.03
Current service cost	0.18	0.06
Acquisition adjustment	-	(0.40)
Actuarial (gains) / losses on obligation	(0.20)	0.16
Closing defined benefit obligation	0.25	0.25

Balance sheet

Details of provision for gratuity	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation	0.25	0.25
Fair value of plan assets	-	-
Liability/(asset) recognised in the balance sheet	0.25	0.25

Statement of profit and loss

Net employee benefit expense for the year (recognised in employee cost)	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	0.18	0.06
Past service cost	-	-
Interest cost on defined benefit obligation	0.02	0.03
Expected interest income on plan assets	-	-
Net benefit expense	0.20	0.09
Actual return on plan assets	-	-

Other comprehensive income

Remeasurement gains and losses (recognised in OCI)	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial gain/(loss) on arising from change in demographic assumption	(0.02)	0.15
Actuarial gain/(loss) on arising from change in financial assumption	(0.14)	0.03
Actuarial gain/(loss) on arising from experience adjustment	(0.04)	(0.01)
Actuarial (gain) /loss for the year on asset	-	-
Net cumulative unrecognized actuarial gain/(loss) closing	(0.20)	0.16

Sensitivity analysis of the defined benefit obligation
Impact of the change in discount rate

Present value of obligation at the end of the period	0.25
Impact due to increase of 0.50 %	(0.01)
Impact due to decrease of 0.50 %	0.01

Impact of the change in salary increase

Present value of obligation at the end of the period	0.25
Impact due to increase of 0.50 %	0.01
Impact due to decrease of 0.50 %	(0.01)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:-

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.30%	6.85%
Salary growth rate	5.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Embassy One Developers Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)****(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)****37 Related parties disclosures****(i) Name of related parties and description of relationship:****A. Enterprises and individuals who exercise joint control**

Embassy Inn Private Limited, India
 Embassy Property Developments Private Limited
 JV Holdings Private Limited, India
 WWD Pearl Limited, Mauritius
 BREP Asia SG City View Holding (NQ) Pte. Limited
 BREP VII SG City View Holding (NQ) Pte Limited
 BREP Asia SBS City View Holding (NQ) Limited
 BREP VII SBS City View Holding (NQ) Limited

B. Other related parties with whom transactions have taken place during the year**Key management personnel (KMP)**

Rajesh Narayanan Kaimal
 Aditya Virwani
 Asheesh Mohta
 Siddharth Nawal

Fellow subsidiaries of enterprise who exercise joint control

Embassy Services Private Limited
 Quadron Business Park Private Limited

(ii) The following is a summary of related party transactions

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Loan repayment received from related parties		
Embassy Inn Private Limited	880.86	1,018.06
Loan from related parties		
Embassy Property Developments Private Limited	308.34	-
Project cost		
Embassy Services Private Limited	-	32.92
Business consultancy services(Project Cost)		
Embassy Property Developments Private Limited	-	107.89
Interest on loan to related party		
Embassy Inn Private Limited	122.65	208.74
Other income		
Quadron Business Park Private Limited	1.29	2.06
Interest on compulsorily convertible debentures (CCDs)		
Embassy Inn Private Limited	3.55	4.31
BREP Asia SG City View Holding (NQ) Pte Ltd	3.62	4.39
BREP VII SG City View Holding (NQ) Pte Ltd	0.90	1.10
BREP Asia SBS City View Holding (NQ) Ltd	0.02	0.02
BREP VII SBS City View Holding (NQ) Ltd	0.00	0.01
Interest on loan from related party		
Embassy Property Developments Private Limited	9.94	-
Advertisement Charges		
JV Holdings Private Limited	-	0.24
Maintenance charges		
Embassy Services Private Limited	48.42	74.61

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Power and fuel		
Embassy Services Private Limited	14.64	19.13
Reimbursement of expenses		
Quadron Business Park Private Limited	0.62	9.38
Selling and marketing expenses		
Quadron Business Park Private Limited	1.13	0.52
(iii) Balances receivable from and payable to related parties:		
Particulars	As at 31 March 2021	As at 31 March 2020
Loan to related party		
Embassy Inn Private Limited	406.01	1,286.87
Loan from related party		
Embassy Property Developments Private Limited	308.34	-
Advance for purchase of transferrable development rights (TDRs)		
Embassy Property Developments Private Limited	810.00	810.00
Other receivables		
Quadron Business Park Private Limited	-	2.31
Interest accrued but not due on compulsory convertible debentures (CCD)		
BREP VII SG City View Holding (NQ) Pte Ltd	10.21	9.26
BREP Asia SBS City View Holding (NQ) Ltd	0.19	0.18
BREP VII SBS City View Holding (NQ) Ltd	0.06	0.05
BREP Asia SG City View Holding (NQ) Pte Ltd	40.89	37.07
Embassy Inn Private Limited	40.29	36.53
Interest accrued but not due on loan to related party (current & non-current)		
Embassy Inn Private Limited	302.34	188.89
Interest accrued but not due on loan from related party (current & non-current)		
Embassy Property Developments Private Limited	9.19	-
Payable for purchase of investment property		
Embassy Property Developments Private Limited	41.36	41.36
Trade payables		
Embassy Property Developments Private Limited	66.10	66.02
Embassy Services Private Limited	78.48	29.99
Quadron Business Park Private Limited, India	6.15	5.41
JV Holdings Private Limited	3.05	3.05
Compulsory Convertible Debentures - Equity and Liability component		
Embassy Inn Private Limited	1,600.59	1,597.04
BREP Asia SG City View Holding (NQ) Pte Ltd	1,564.77	1,561.14
BREP VII SG City View Holding (NQ) Pte Ltd	390.92	390.01
BREP Asia SBS City View Holding (NQ) Ltd	7.43	7.41
BREP VII SBS City View Holding (NQ) Ltd	2.13	2.13

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

38 Financial instruments - Fair values and risk measurement
A. Accounting classification and fair value

The carrying value and fair value of financial instruments by categories are as below:

Particulars	As at 31 March 2021					
	Note	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Carrying value	Fair value
Financial assets measured at amortised cost:						
Other non-current financial assets	5	116.56	-	-	116.56	116.56
Loans	9	406.01	-	-	406.01	406.01
Cash and cash equivalents	10	6.35	-	-	6.35	6.35
Bank balances other than cash and cash equivalents	11	60.48	-	-	60.48	60.48
Other current financial assets	12	389.19	-	-	389.19	389.19
Total		978.59	-	-	978.59	978.59
Financial liabilities measured at amortised cost:						
Borrowings	17 & 20	4,591.25	-	-	4,591.25	4,591.25
Current maturities of long term borrowings	22	1,878.34	-	-	1,878.34	1,878.34
Interest accrued but not due						
- on term loans	22	31.69	-	-	31.69	31.69
- on inter corporate deposits	22	9.19	-	-	9.19	9.19
Retention dues	18 & 22	218.48	-	-	218.48	218.48
Trade payables	21	698.33	-	-	698.33	698.33
Other financial liabilities	22	15.10	-	-	15.10	15.10
Total		7,442.38	-	-	7,442.38	7,442.38
Particulars	As at 31 March 2020					
	Note	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Carrying value	Fair value
Financial assets measured at amortised cost:						
Other non-current financial assets	5	258.75	-	-	258.75	258.75
Loans	9	1,286.87	-	-	1,286.87	1,286.87
Cash and cash equivalents	10	8.35	-	-	8.35	8.35
Other current financial assets	12	190.79	-	-	190.79	190.79
Total		1,744.76	-	-	1,744.76	1,744.76
Financial liabilities measured at amortised cost:						
Borrowings	17 & 20	4,753.39	-	-	4,753.39	4,753.39
Current maturities of long term borrowings	22	1,605.67	-	-	1,605.67	1,605.67
Interest accrued but not due						
- on term loans	22	22.27	-	-	22.27	22.27
- on inter corporate deposits	22	-	-	-	-	-
Retention dues	18 & 22	255.34	-	-	255.34	255.34
Trade payables	21	856.05	-	-	856.05	856.05
Other financial liabilities	22	14.39	-	-	14.39	14.39
Total		7,507.11	-	-	7,507.11	7,507.11

The management has assessed that fair values of borrowings, Interest accrues but not due, retention dues, loans, trade receivables cash and cash equivalents, bank balances, borrowings, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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38 Financial instruments - Fair values and risk measurement (Cont'd)**B. Financial risk management**

The Company's financial assets majorly comprise of cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets. The Company's financial liabilities majorly comprises of debentures, other financial liabilities and borrowings. The Company is exposed to credit risk, liquidity risk and interest rate risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

(i) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or loans given leading to financial loss. The Company's exposure to credit risk arises from its operating and financing activities.

Cash and bank Balances are placed with banks and financial institutions which are regulated. In addition to this, the management does not expect any of its counterparty to fail to meet its obligations.

Also the cash and cash equivalents are and the bank balances are mainly held with nationalised banks which have a very low risk of default.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility.

The Company monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Exposure to liquidity risk

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities. The amounts are gross and undiscounted contractual cash flow.

As at 31 March 2021	Carrying amount	Total	Less than 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings (including current maturities)	6,469.59	6,469.59	2,186.68	4,282.91	-
Interest accrued but not due		-			
- on term loans	31.69	31.69	31.69	-	-
- on inter corporate deposits	9.19	9.19	9.19	-	-
Retention dues	218.48	218.48	156.50	61.98	-
Trade payables	698.33	698.33	698.33	-	-
Other financial liabilities	15.10	15.10	15.10	-	-
Total	7,442.38	7,442.38	3,097.49	4,344.89	-

As at 31 March 2020	Carrying amount	Total	Less than 1 year	1-2 years	More than 5 years
Non-derivative financial liabilities					
Borrowings (including current maturities)	6,359.06	6,359.06	1,630.00	4,729.06	-
Interest accrued but not due					
- term loans	22.27	22.27	22.27	-	-
Retention dues	255.34	255.34	190.48	64.86	-
Trade payables	856.05	856.05	856.05	-	-
Other financial liabilities	14.39	14.39	14.39	-	-
Total	7,507.11	7,507.11	2,713.19	4,793.92	-

Embassy One Developers Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(v) Currency risk

(a) As at 31 March 2021, there were no outstanding forward contracts.

(b) As at 31 March 2021, there were no hedged foreign currency exposure.

(c) Exposure to foreign currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows.

Particulars	As at 31 March 2021	As at 31 March 2020
Financial assets		
Advance to suppliers		
AED	0.32	0.32
EUR	20.30	23.90
GBP	0.20	0.20
USD	127.71	150.51
Total financial assets	148.53	174.93
Financial liabilities		
Trade payables		
GBP	2.24	-
USD	10.10	3.83
Retention Dues		
USD	-	14.78
Total financial liabilities	12.34	18.61
Net exposure in respect of recognised assets and liabilities	136.19	156.32

Sensitivity analysis

A reasonably possible strengthening (weakening) of the respective currencies against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2021	1.36	(1.36)	1.01	(1.01)
31 March 2020	1.56	(1.56)	1.16	(1.16)

Interest rate risk

Interest rate is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate of borrowings. The Company does not enter into any interest rate swaps.

Exposure to interest rate risk:

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	31 March 2021	31 March 2020
Fixed-rate instruments:		
Financial assets	516.62	1,510.21
Financial liabilities	308.34	-
	824.96	1,510.21
Variable-rate instruments:		
Financial assets	-	-
Financial liabilities	6,161.25	6,359.06
	6,161.25	6,359.06

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31-Mar-21				
Variable rate borrowings	(61.61)	61.61	(45.59)	45.59
31-Mar-20				
Variable rate borrowings	(63.59)	63.59	(47.06)	47.06

Embassy One Developers Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Cont'd)**

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

39 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, compulsorily convertible debentures, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2021 and 31 March 2020 was as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Total liabilities	8,917.21	8,961.83
Less: Cash and cash equivalents	6.35	8.35
Adjusted net debt	8,910.86	8,953.49
Total equity	1,917.88	2,309.30
Adjusted equity	1,917.88	2,309.30
Adjusted net debt to equity ratio	4.65	3.88

40 Expenditure on corporate social responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2021.

41 Impact of COVID 19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings in view of COVID – 19 as at the date of approval of these financial statements. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

42 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening Balance as at 31 March 2020	Cash flows Proceeds Repayments	Interest expenses	Non cash movement (Fair Value Changes)	Closing balance as at 31 March 2021
Borrowings	6,359.06	308.34	(206.36)	8.55	6,469.59
Interest on borrowing	22.27	-	(852.45)	405.50	40.88

43 Previous year's figures have been regrouped / reclassified/ rounded off wherever necessary to conform to the current year's presentation.

44 Additional information as required under paragraph 5 of Part II of the Schedule III to the Act, to the extent either "nil" or "not applicable" has not been

45 The financial statements of the Company for the year ended 31 March 2020 have been audited by firm other than Walker Chandio & Co LLP.

As per our report of even date

for Walker Chandio & Co LLP
Chartered Accountants
Firm registration number : 001076N/N500013

**for and on behalf of the Board of Directors of
Embassy One Developers Private Limited**

Ashish Kedia
Partner
Membership No. 215834

Place: Bengaluru
Date: 30 July 2021

Rajesh Kaimal
Director
DIN : 03158687

Place : Bengaluru
Date: 30 July 2021

Aditya Virwani
Director
DIN: 06480521

Place : Bengaluru
Date: 30 July 2021

Shreyas Dwarki
Company Secretary
ACS No: 39470

Place : Bengaluru
Date: 30 July 2021

INDEPENDENT AUDITORS' REPORT

To the Members of **Embassy One Developers Private Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Embassy One Developers Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matter

The financial statements of the Company for the year ended March 31, 2019, included in these Ind AS financial statements, have been audited by the M/s BSR & Associates LLP who expressed an unmodified opinion on those statements on September 03, 2019.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “**Annexure A**” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
 - g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements.
 - ii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. With respect to the matter to be included in the Auditor’s Report under Section 197(16):
- In our opinion and according to the information and explanation given to us, the Company is a private limited company and accordingly provision of section 197 of the Act is not applicable to the Company.

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

D N Sree Hari
Partner
Membership No: 027388

UDIN: 20027388AAAAAM1989

Place: Bengaluru
Date: 03 August 2020

Annexure A to the Independent Auditors' Report

The Annexure A referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report to the Members of **Embassy One Developers Private Limited** ('the Company') for the year ended 31 March 2020, we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The Company has a regular program of verification to cover all the items of property, plant & equipment in a phased manner over three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. Pursuant to the program, property, plant & equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the company does not have any immovable property held as property, plant & equipment or investment property as on 31st March, 2020 and hence clause 3(i)(c) of the Order is not applicable.
- (ii) The Company is engaged in the business of real estate development and related services and holds inventories in the form of land, properties under development and constructed properties. The management has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed during such physical verification.
- (iii) The Company has granted loans to a company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the terms and conditions of the inter corporate deposit (loan) granted by the Company to the company covered in the register maintained under section 189 of the Companies Act, 2013, the loan given is not prejudicial to the interest of the Company, as disclosed below.
 - (b) In the case of the loans granted to the company listed in the register under Sec 189 of the Act, the stipulation as to repayment of principle as specified below.
 - (c) The principal is repayable on demand and hence, there is no overdue as on date in the case of the loans granted to the company listed in the register under Sec 189 of the Act.

Name of the company	Amount of Inter corporate deposit (loan) given during the year (Rs.)	Amount as at 31 March 2019 (Rs.)	Amount as at 31 March 2020 (Rs.)	Terms
Embassy Inn Private limited	Nil	2,30,49,33,970/-	1,28,68,72,956/-	Inter Corporate Deposit (loan) repayable on demand at an interest rate of 12%p.a.

- (iv) The Company has not given any loans/investments/guarantees to which the provisions of Sections 185 and 186 of the Companies Act, 2013, apply. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income tax, Sales tax, Service tax, duty of customs, duty of excise, Value added tax , cess, Employee State Insurance, & Goods & Service Tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Goods & Service Tax and other statutory dues which have not been deposited by the Company with the appropriate authorities on account of any dispute, except for the following:

Name of the Statute	Nature of the dues	Amount (Rs. in Million)	Period to which the amount relates	Forum where dispute is Pending
Income Act,1961	Tax demand (including interest)	10.49	Assessment Year 2016-17	Commissioner of Income Tax (Appeals), Bangalore
Chapter V of The Finance Act, 1994	Service Tax – Non-Eligible CENVAT credit	57.32	01 October 2007 to 30 September 2010	CESTAT Bengaluru

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bankers or financial institutions. The Company did not have any outstanding dues to debenture holders or government during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of public issue or further public offer (including debt instruments) during the year.
- (x) In our opinion and according to the information and explanations given to us, no material fraud on the Company by its officers or employees or a fraud by the Company has been noticed or reported during the course of our audit.
- (xi) The Company is a private limited company. Thus, paragraph 3(xi) of the Order relating to provisions of Section 197 is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Thus, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is not required to constitute an Audit Committee in accordance with Section 177. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where ever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable.

- (xv) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 20027388AAAAAM1989

Place: Bengaluru

Date: 03 August 2020.

Report on Internal Financial Controls Over Financial Reporting

Annexure – B to the Independent auditor’s report of even date on the financial statements of Embassy One Developers Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

OPINION

We have audited the internal financial controls over financial reporting of Embassy One Developers Private Limited (“the Company”) as of March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India” These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **N S V M & Associates**

Chartered Accountants

Firm's Registration No: 010072S

D N Sree Hari

Partner

Membership No. 027388

UDIN: 20027388AAAAAM1989

Place: Bengaluru

Date : 03 August 2020

Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Balance sheet

		<i>Amount in INR million</i>	
	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Investment property	4 (a)	-	-
Property, plant and equipment	4 (b)	0.04	0.08
Capital work-in-progress	4 (c)	-	-
Financial assets			
- Other financial assets	5	226.75	566.05
Deferred tax asset (net)	6	-	-
Other non-current assets	7	43.71	18.63
Total non-current assets		270.50	584.76
Current assets			
Inventories	8	8,311.60	6,653.76
Financial assets			
- Loans	9	1,286.87	2,304.93
- Trade receivables	10	67.36	24.00
- Cash and cash equivalents	11	8.35	137.62
- Bank balances other than cash and cash equivalents	12	-	219.66
- Other financial assets	13	225.09	9.02
Other current assets	14	1,270.53	1,501.30
Total current assets		11,169.80	10,850.29
Total assets		11,440.30	11,435.05
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,327.27	1,327.27
Equity component of compulsory convertible debentures	16	3,474.64	3,474.64
Other equity	17	(2,492.62)	(2,378.26)
Total equity		2,309.29	2,423.65
Non-current liabilities			
Financial liabilities			
- Borrowings	18	4,753.39	6,410.45
- Other financial liabilities	19	64.86	104.89
Provisions	20	0.32	-
Total non-current liabilities		4,818.57	6,515.34
Current liabilities			
Financial liabilities			
- Trade payables			
Total outstanding dues of micro and small enterprises	21	159.84	36.48
Total outstanding dues of creditors other than micro and small enterprises	21	332.61	58.61
- Other financial liabilities	22	2,448.05	1,000.86
Other current liabilities	23	1,371.93	1,400.11
Provisions	24	0.01	-
Total current liabilities		4,312.44	2,496.06
Total equity and liabilities		11,440.30	11,435.05
Significant accounting policies			
	3		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy One Developers Private Limited

D N Sree Hari
Partner
Membership No. 027388

Rajesh Kaimal
Director
DIN : 03158687

Aditya Virwani
Director
DIN: 06480521

Bharti Agarwal
Company Secretary

Place: Bengaluru
Date: August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Statement of profit and loss

			Amount in INR million
	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Revenue from operations	25	149.62	-
Other income	26	209.23	4.49
Total income		358.85	4.49
Expenses			
Cost of goods sold		148.40	-
Employee benefits expense	27	13.17	5.82
Finance costs	28	88.03	30.70
Depreciation	29	0.04	0.04
Other expenses	30	138.50	116.35
Provision for onerous contracts		84.91	75.97
Total expenses		473.05	228.88
Profit / (Loss) from continuing operations before tax		(114.20)	(224.39)
Tax expense			
- Current tax		-	-
- Deferred tax	6	-	-
Profit / (Loss) from continuing operations after tax		(114.20)	(224.39)
Discontinued operations	32		
Profits from discontinued operations before tax		-	1,358.72
Tax expense of discontinued operations		-	-
Profit from discontinued operations after tax		-	1,358.72
Profit/ (loss) for the year		(114.20)	1,134.32
Other comprehensive income:			-
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plan actuarial gains/ (losses) (net of taxes)		0.16	-
		0.16	-
Income tax relating to items that will not be reclassified subsequent to profit or loss		-	-
Other comprehensive income for the year, net of tax		0.16	-
Total Comprehensive income/(loss) for the year		(114.37)	1,134.32
Earnings / (loss) per equity share:			
Continuing operations			
- Basic		(0.86)	(1.69)
- Diluted		(0.86)	(1.69)
Discontinued operations			
- Basic		-	10.24
- Diluted		-	5.21
Continuing and discontinued operations			
- Basic		(0.86)	8.55
- Diluted		(0.86)	4.35

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy One Developers Private Limited

D N Sree Hari
Partner
Membership No. 027388

Rajesh Kaimal
Director
DIN : 03158687

Aditya Virwani
Director
DIN: 06480521

Bharti Agarwal
Company Secretary

Place: Bengaluru
Date: August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Statement of cash flows

	For the year ended 31 March 2020	<i>Amount in INR million</i> For the year ended 31 March 2019
Cash flows from operating activities		
Profit / (Loss) from continuing operations before tax	(114.37)	(224.39)
Profits from discontinued operations before tax	-	1,358.72
Adjustments:		
- Interest expense (including fair value change in financial instruments)	88.03	335.65
- Depreciation and amortization	0.04	36.94
- Profit on disposal of business operations	-	(807.70)
- Provisions / (reversal) of impairment loss	-	(1,195.29)
- Provisions for gratuity and compensated absences	0.57	-
- Interest income	(0.05)	-
- Interest income on intercorporate deposits	(208.74)	-
- Provision for onerous contracts	84.91	75.97
- Provision for doubtful advance	-	6.25
Operating cash flow before working capital changes	(149.62)	(413.86)
<i>Changes in</i>		
- Other current and non-current assets	230.50	(1,248.40)
- Other current and non-current financial assets	(200.51)	(13.69)
- Trade receivables	(43.36)	172.73
- Inventories	(726.41)	(1,757.07)
- Trade payables	397.36	(55.86)
- Current and non-current financial liabilities	(221.80)	117.58
- Other current and non-current liabilities	(112.76)	(143.83)
Cash generated from operations	(826.60)	(3,342.41)
Income taxes paid	(25.08)	0.80
Cash generated from / (used in) operations	(851.68)	(3,341.61)
Cash flows from investing activities		
Purchase of property, plant and equipment and investment property	-	(2,386.16)
Disposal of business operation	-	4,681.93
Interest received	49.12	-
Net cash generated from/(used in) investing activities	49.12	2,295.77
Cash flows from financing activities		
Proceeds/ (repayment) from borrowings	(61.21)	4,329.81
Inter corporate deposit (given)/repaid	1,018.06	(2,304.93)
Interest paid	(843.51)	(586.96)
Decrease/ (increase) in deposits accounts	559.92	(342.08)
Net cash used in financing activities	673.27	1,095.84
Increase in cash and cash equivalents	(129.29)	50.02
Cash and cash equivalents at the beginning of the year	137.62	87.60
Cash and cash equivalents at the end of the year	8.35	137.62
Components of cash and cash equivalents (refer note 11)		
Balances with banks:		
- in current accounts	3.35	104.49
- in fixed deposits	5.00	6.56
- in escrow account	-	26.54
Cash on hand	-	0.02
Cash and cash equivalents at the end of the year	8.35	137.62

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy One Developers Private Limited

D N Sree Hari
Partner
Membership No. 027388

Rajesh Kaimal
Director
DIN : 03158687

Aditya Virwani
Director
DIN: 06480521

Bharti Agarwal
Company Secretary

Place: Bengaluru
Date: August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Place : Bengaluru
Date : August 3, 2020

Place : Bengaluru
Date : August 3, 2020

A. Equity share capital

<i>Amount in INR million</i>	
Particulars	Amount
<i>Equity shares of Rs 10 each issued, subscribed and fully paid</i>	
Balance as at 1 April 2018	1,327.27
Add: issued during the year	-
Balance as at 31 March 2019	1,327.27
Balance as at 1 April 2019	1,327.27
Add: issued during the year	-
Balance as at 31 March 2020	1,327.27
Also refer Note 15	

B. Other equity

<i>Amount in INR million</i>			
Particulars	Equity contribution through CCD	Reserves and Surplus Retained Earnings	Equity attributable to owners of the company
Balance as at 1 April 2018	3,474.64	(3,156.55)	318.09
Adjustment pursuant to adoption of Ind AS 115	-	(356.03)	(356.03)
Restated balance as at 1 April 2019	3,474.64	(3,512.58)	(37.94)
Net profit/(loss) during the year	-	1,134.32	1,134.32
Balance as at 31 March 2019	3,474.64	(2,378.26)	1,096.38

<i>Amount in INR million</i>			
Particulars	Equity contribution through CCD	Reserves and Surplus Retained Earnings	Equity attributable to owners of the company
Balance as at 1 April 2019	3,474.64	(2,378.26)	1,096.38
Net profit/(loss) during the year	-	(114.37)	(114.37)
Balance as at 31 March 2020	3,474.64	(2,492.62)	982.01
Also refer Note 16 and 17			

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy One Developers Private Limited

D N Sree Hari
Partner
Membership No. 027388

Rajesh Kaimal
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Bharti Agarwal
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Place: Bengaluru
Date: August 3, 2020

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Place : Bengaluru
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Date : August 3, 2020

1 Company background

Embassy One Developers Private Limited ('the Company') was incorporated on 10 August 2007 under the Companies Act, 1956. The Company was incorporated as ETA Star Citi Centre Bangalore Limited which was changed to City View Bangalore Properties Private Limited. The name was further renamed to Embassy One Developers Private Limited on 4 June 2015. The objective of the Company is to develop office space, retail, hotel and residential construction and related interiors in Bangalore. The registered office of the Company is at Bangalore, Karnataka. The Company is engaged in the construction and development of a mixed use project i.e., Four Seasons hotel, residential apartments, commercial and retail space. The cost incurred during the previous year for construction of hotel is classified as property, plant and equipment as it was held for own use, the commercial and retail portion was classified as Investment property and the cost carried towards residential apartments is classified as inventories as they are held for sale. However during the Financial year 2018-19 the Company has disposed the business operations pertaining to Hotel, commercial and retail space as a Going concern along with the respective assets and liabilities.

2 Basis of preparation of financial statements

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the "Act") and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on August 3, 2020

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been presented in millions, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values

2.4 Measurement of Fair Values

A number of Company's accounting policies and disclosures require a measurement of their fair value, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes periodic review of all significant fair value measurement, including level 3 fair values and reports directly to the director. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of directors.

The Management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes has occurred.

2.5 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

a) Judgements

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 4.01 : Property, plant and equipment and
- Note 4.02 : Investment property.

b) Assumptions and estimations uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial period ending 31 December 2019 are included in the following notes:

- Note 4.08 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 31 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 4.01- estimated useful life of property plant and equipment and
- Note 4.03 - impairment of assets

2.6 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.01 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

3.01 Property, plant and equipment (continued)

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Property, plant and equipment

Assets	Management estimate of useful life (years)	Useful life as per Schedule II of Companies Act, 2013 (years)
Building	60	60
Office Equipments	5	5
Electrical equipments	10	10
Plant and machinery	15	15
Computer	3	3
Furniture and fixtures	10	10
Vehicles	10	10

Depreciation method, useful lives and residual values are reviewed at each financial period/year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

3.02 Investment properties

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Investment property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are depreciated on straight-line method over their estimated useful lives. However, where the management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

The fair value of investment property is disclosed in the note 4(a). Fair values are determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Note: Plant and machinery, furniture and fixtures and electrical equipments which are physically attached to the commercial buildings are considered as part of investment property.

3.03 Investment properties (continued)

ii. Depreciation

Pursuant to this policy, Management's estimates of useful life of the following major assets are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II of Companies Act, 2013
Buildings	5-60 years	60 years
Plant and machinery	15 years	15 years
Furniture and fixtures	10-15 years	10 years
Electrical equipments	10 years	15 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Pro-rata depreciation is provided on properties purchased or sold during the year/period.

3.04 Impairment of assets

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;
- no debt instruments

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or the other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-months expected credit losses are the portion of expected credit loss that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 180 days or past due.

3.05 Impairment of assets (continued)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for the financial assets measured at amortised cost are deducted from the gross carrying amount of assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of the amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents smallest group of assets that generates cash inflows that are largely independent of the cash inflows or other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

3.06 Revenue recognition

Ind AS 115 Revenue from Contracts with Customers is mandatorily applicable from reporting period beginning on or after April 1, 2018. Ind AS 115 replaces existing the existing standard on revenue recognition Ind AS 18 ("Revenue recognition") and Ind AS 11 ("Construction Contracts").

Revenue is recognized upon transfer of control of residential units to customers and on completion of critical obligation as per the customer contract, in an amount that reflects the consideration the Company expects to receive in exchange for those residential units. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units and on completion of critical obligation as per the customer contract.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

3.07 Recognition of dividend income, interest income or expense

a) Dividend income

Dividends are recognised in statement of profit and loss on the date on which the Company's right to receive payment is established.

b) Interest income or expense

Interest income or expense is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of a financial asset; or
- the amortised cost of financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.08 Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial assets or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at,

- amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrecoverably elect to present subsequent changes in investment's fair value in OCI (designated as FVOCI - equity investment). The election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3.08 Financial instruments (continued)

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial asset to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risk that affects the performance of the business model (and the financial asset held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of the financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

To assess whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayments and extension features; and
- terms that limits the Company's claim to cash flows from specified assets (e.g. non-recourse feature)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

3.08 Financial instruments (continued)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL :

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost :

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised statement of profit and loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities : Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains or losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of the ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the extinguished liability and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Embedded derivatives

When the Company becomes a party to a hybrid contract with a host that is not an asset within the scope of Ind AS 109 Financial Instruments, it identifies whether there is an embedded derivative. Embedded derivatives are separated from the host contract and accounted for separately in accordance with Ind AS 109 if the host contract is not a financial asset and certain criteria are met.

3.09 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.10 Taxes

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT')

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.11 Provisions

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-fix rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A Contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3.12 Earnings / (Loss) per share

The basic earnings/ (loss) per share is computed by dividing the net profit/ (loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3.13 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at exchange rate at the date of transaction. Exchange differences are recognised in profit and loss account, except exchange difference arising from transaction of the following items which are recognised in OCI.

- equity investment at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in foreign operation to the extent that the hedge is effective and
- qualifying cash flow hedges to the extent that the hedges are effective

3.14 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in the books of accounts but its existence is disclosed in the financial statements.

3.15 Errors and estimates

The Company revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to profit or loss is applied prospectively in the period(s) of change.

Discovery of errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

3.16 Subsequent events

These financial statements are adjusted to reflect events that occur after the reporting date but before the financial statements are issued.

3.17 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing the properties to their present location and condition. The method of determination of cost for various categories of inventories is as follows:

Land, including transferable development rights, are valued at cost of acquisition. Cost includes acquisition cost and related development charges. Finished stocks of constructed properties are valued at their cost of construction / acquisition.

The net realisable value of work in progress is determined with reference to the selling prices of related constructed property. Raw materials and other supplies held for use in construction of property are not written below cost except in cases where material prices have declined and it is estimated that the cost of constructed property will exceed their net realisable value.

3.18 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.19 Statement of Cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

3.20 Employee benefits

a) Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

b) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive income in the period in which they occur.

Gratuity scheme is administered through a trust with the Life Insurance Corporation of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

c) Short-term benefit plans

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized and measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

3.21 Recent accounting pronouncements

(A) Issue of Ind AS 117

Insurance Contracts Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk. Application of this standard is not expected to have any impact on the Company's financial statements.

(B) Amendments to existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 103 – Business Combination
2. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 40 – Investment Property

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

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Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Notes to the financial statements
4 (a) Investment property

Reconciliation of carrying amount for the year ended 31 March 2020 and 31 March 2019

Amount in INR million

Particulars	Tangible, Owned					Total
	Freehold Land	Building	Furniture and fixtures	Electrical equipments	Plant and machinery	
Gross carrying value						
Balance as at 1 April 2018	410.05	2,242.66	5.78	243.10	253.32	3,154.91
Additions	-	10.22	-	-	-	10.22
Disposals (Note 1)	(410.05)	(2,252.88)	(5.78)	(243.10)	(253.32)	(3,165.13)
Balance as at 31 March 2019	-	-	-	-	-	-
Balance as at 1 April 2019	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals (Note 1)	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	-	-	-	-
Accumulated depreciation						
Balance as at 1 April 2018	-	9.42	0.15	6.40	4.37	20.33
Charge for the year	-	16.96	0.28	11.51	7.86	36.61
Disposals (Note 1)	-	(26.38)	(0.43)	(17.91)	(12.23)	(56.95)
Balance as at 31 March 2019	-	-	-	-	-	-
Balance as at 1 April 2019	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-
Disposals (Note 1)	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	-	-	-	-
Carrying amounts:						
As at 31 March 2019	-	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-	-

Notes:

1. During the previous year ended March 31, 2019 the Company had disposed a part of its business operations on a going concern basis and has transferred all the assets and liabilities pertaining to the business operations for a consideration of INR 4,681.93 million.

4 (a) A. Information regarding income and expenditure of Investment property
Amount in INR million

Particulars	31 March 2020	31 March 2019
Rental income derived from investment properties	-	-
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	-	(19.50)
Profit / (loss) arising from investment properties before depreciation and indirect expenses	-	(19.50)
Less: Depreciation	-	-
Profit / (loss) arising from investment properties before indirect expenses	-	(19.50)

4 (b) Property, plant and equipment (PPE)

Reconciliation of carrying amount for the year ended 31 March 2020 and 31 March 2019

Amount in INR million

Tangible, Owned										
Particulars	Freehold Land	Building	Office equipments	Electrical equipments	Plant and machinery	Hotel operating equipments	Computer	Furniture and fixtures	Vehicles	Total
Gross carrying value										
Balance as at 1 April 2018	708.49	-	0.18	-	-	-	-	-	2.52	711.19
Additions	-	6,045.05	18.66	782.70	815.63	853.17	0.57	341.66	48.59	8,906.03
Disposals	(708.49)	(6,045.05)	(18.66)	(782.70)	(815.63)	(853.17)	(0.57)	(341.66)	(51.11)	(9,617.04)
Balance as at 31 March 2019	-	-	0.18	-	-	-	-	-	-	0.18
Balance as at 1 April 2019	-	-	0.18	-	-	-	-	-	-	0.18
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	0.18	-	-	-	-	-	-	0.18
Accumulated depreciation										
Balance as at 1 April 2018	127.74	-	0.07	-	-	-	-	-	0.03	127.84
Charge for the year	-	-	0.04	-	-	-	-	-	-	0.04
Disposals	-	-	-	-	-	-	-	-	-	-
Reversal of provision for impairment	(127.74)	-	-	-	-	-	-	-	-	(127.74)
Transfers	-	-	-	-	-	-	-	-	(0.03)	(0.03)
Balance as at 31 March 2019	-	-	0.10	-	-	-	-	-	-	0.10
Balance as at 1 April 2019	-	-	0.10	-	-	-	-	-	-	0.10
Charge for the year	-	-	0.04	-	-	-	-	-	-	0.04
Reversal of provision for impairment	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	0.14	-	-	-	-	-	-	0.14
Carrying amounts:										
As at 31 March 2019	-	-	0.08	-	-	-	-	-	-	0.08
As at 31 March 2020	-	-	0.04	-	-	-	-	-	-	0.04

4 (c) Capital work-in-progress

Amount in INR million

Particulars	Amount
Cost or deemed cost:	
Balance as at 1 April 2018	4,853.26
Additions	2,936.63
Less : Provision for impairment (Note 2)	1,067.55
Less : Capitalized	(8,857.44)
Balance as at 31 March 2019	-
Balance as at 1 April 2019	-
Balance as at 31 March 2020	-
Carrying amounts:	
<i>As at 31 March 2019</i>	-
<i>As at 31 March 2020</i>	-

Notes:

1. Amounts capitalised during the year include borrowing cost amounting to Nil on 31 March 2020(31 March 2019 : INR 1,942.26 million)
2. During the previous year ended March 31, 2019 the Company had disposed a part of its business operations on a going concern basis and has transferred all the assets and liabilities pertaining to the business operations for a consideration of INR 4,681.93 million.

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5 Other Non-current financial assets

Amount in INR million		
Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Fixed deposit accounts with banks (refer note A below)	218.34	558.55
Interest accrued on bank deposits	8.41	7.50
Security deposits	2.08	2.08
Less : Provision for doubtful advances	(2.08)	(2.08)
	226.75	566.05
Note A:		
Held as lien against Margin money for bank guarantees	218.34	558.55

6 Deferred tax assets, net

Amount in INR million		
Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities		
Excess of depreciation allowable under Income tax laws over depreciation provided for in the books	-	-
On account of IND AS adjustments	46.09	51.11
Deferred tax assets		
Tax losses (restricted to the deemed tax liability)	(46.09)	(51.11)
	-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not currently probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Amount in INR million		
Particulars	As at 31 March 2020	As at 31 March 2019
Carry forward business loss and unabsorbed depreciation	1,118.43	1,126.51
	1,118.43	1,126.51

7 Other non-current assets

Amount in INR million		
Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Advance Tax, Net of provision for tax	43.71	18.63
	43.71	18.63

8 Inventories

Amount in INR million		
Particulars	As at 31 March 2020	As at 31 March 2019
Property under development (refer notes below)	8,311.60	6,653.76
	8,311.60	6,653.76

a) Includes borrowing cost amounting to INR 2,447.26 million (31 March 2019: INR 1,780.75 million)

Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Notes to the financial statements
9 Loans
Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans to related parties (refer note below)	1,286.87	2,304.93
	1,286.87	2,304.93

Note
Repayment and Interest terms

INR 1286.87 million (31 March 2019 : 2,304.93 million) was advanced to Embassy Inn Private Limited, a related party.

The loan is repayable in full on demand along with interest if any.

The loan carries an interest rate of 12% p.a. on the principal value, interest is accrued annually.

10 Trade receivables
Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Considered good	67.36	24.00
Credit impaired	-	-
	67.36	24.00
Less: allowance for impairment loss	-	-
	67.36	24.00

Of the above, there are no trade receivables from related parties.

11 Cash and cash equivalents
Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- in current accounts	3.35	104.49
- in escrow accounts	-	26.54
- in fixed deposit accounts with banks (original maturity less than 3 months)	5.00	6.56
Cash on hand	-	0.02
	8.35	137.62

12 Bank balances other than cash and cash equivalents
Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- in fixed deposit accounts with banks (original maturity more than 3 months and less than 12 months)	-	219.66
	-	219.66

13 Other current financial assets
Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Security deposits	0.43	-
Other receivables	6.99	9.60
Less : Provision for other receivables	(4.16)	(4.16)
Interest accrued on bank deposits	0.08	2.56
Fixed deposit accounts with banks	32.87	-
Interest accrued on loans (Refer Note no 37)	188.89	1.02
	225.09	9.02

14 Other current assets
Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Advance to suppliers	456.35	627.73
Less : Provision for advances	(54.63)	(54.63)
	401.72	573.10
Advance for purchase of Transferrable Development Rights (TDRs)	810.00	810.00
Balances with government authorities	58.19	118.20
Prepaid expenses	0.53	0.00
Unbilled revenue	0.09	-
	1,270.53	1,501.30

15 Share capital

(a) Particulars	Amount in INR million	
	As at 31 March 2020	As at 31 March 2019
Authorised		
140,000,000 (Previous year : 140,000,000) Equity shares of Rs 10 each	1,400.00	1,400.00
10,000,000 (Previous year : 10,000,000) Redeemable Preference shares of Rs 10 each	100.00	100.00
	1,500.00	1,500.00
Issued, subscribed and fully paid up		
132,727,280 (Previous year : 132,727,280) Class A Equity shares of Rs 10 each fully paid up	1,327.27	1,327.27
	1,327.27	1,327.27

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Amount in INR million (except share number data)

	As at 31 March 2020		As at 31 March 2019	
	No of shares	Amount	No of shares	Amount
Number of shares at the beginning of the year	132,727,280	1,327.27	132,727,280	1,327.27
Add: Shares issued/converted during the year	-	-	-	-
Number of shares outstanding at the end of the year	132,727,280	1,327.27	132,727,280	1,327.27

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	% of holding	No of shares	% of holding	No of shares
Class A Equity shares:				
WWD Pearl Limited, Mauritius	55.00%	73,000,000	55.00%	73,000,000
Embassy Inn Private Limited	45.00%	59,727,280	45.00%	59,727,280

(d) Rights, preferences and restrictions attached to shares

Equity shares

- (i) Class A share represents ordinary equity share of face value of Rs 10 each in the Company.
- Each Class A equity shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
 - Each Class C equity shareholder is not eligible for voting rights
 - All distributions made by the Company to its security holders will be made pro-rata in accordance with the security holders' percentage interest in the Company on fully dilutive basis and no party shall be entitled to seniority over the other in such payments.
 - The shares held by Embassy Inn Private Limited to the extent of Nil (31 March 2019: 10.37%) of the total capital is pledged to Oriental Bank of Commerce and Indian Overseas Bank as a security for loans availed by the Company. Previous year the Company has transferred the borrowing as part of business operations on a Going concern basis along with other assets and liabilities [Refer Note 18A]
- (ii) The equity shareholders WWD Pearl Limited and Embassy Inn Private Limited known as "promoters" along with the holders of Compulsorily Convertible Debentures ("CCDs") known as "investors" together called as "security holders" have entered into an investment and shareholders agreement (ISHA) dated 6 October 2014:
- The salient rights, preferences and restrictions of the equity shareholders as per ISHA include:**
- The equity shares and CCDs held by the stakeholders jointly known as "securities" are not transferable for one year from the date of the ISHA agreement dated 6 October 2014. Subsequent to the lock-in date, the securities are transferable with the right of first offer to the other stakeholder through execution of deed of adherence.
 - Promoters and investors have the power to appoint two directors each to the Board of Directors of the Company. The quorum for any meeting of the Board shall be the presence, in person, of such number of directors required under the Articles of Association, subject to the presence of at least one director each as nominated by the promoters and investors.
 - Promoters have right to nominate the chairman of the meetings, however the chairman shall not have a casting vote.
- (iii) As per the ISHA agreement, the Company shall convert the series A, B and D CCDs to class A shares. On conversion, the Company will issue class A shares by increasing the authorised capital. The Company shall convert the series C, E CCDs and Series F CCDs to class C shares. On conversion, the Company will issue class C shares by increasing the authorised capital. Class C share shall not carry any voting rights.

(e) Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares for consideration other than cash for the period of five years immediately preceding the balance sheet date.

16 Equity component of Compulsorily convertible debentures*Amount in INR million*

Particulars	As at	As at
	31 March 2020	31 March 2019
Equity component of 352,144,447 (Previous year : 352,144,447) compulsorily convertible debentures of Rs 10 each fully paid up	3,474.64	3,474.64
	3,474.64	3,474.64

Particulars of convertible debentures held by entities who exercise joint control:**(i) Series A - compulsorily convertible debentures***Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP VII SG City View Holding (NQ) Pte Ltd	15,040,560	150.41	15,040,560	150.41
b) BREP Asia SBS City View Holding (NQ) Ltd	285,742	2.86	285,742	2.86
c) BREP VII SBS City View Holding (NQ) Ltd	82,040	0.82	82,040	0.82
d) BREP Asia SG City View Holding (NQ) Pte Ltd	60,204,658	602.05	60,204,658	602.05
e) Embassy Inn Private Limited	59,387,000	593.87	59,387,000	593.87
	135,000,000	1,350.00	135,000,000	1,350.00

(ii) Series B - compulsorily convertible debentures*Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	Amount	No. of debentures	Amount
a) Embassy Inn Private Limited	52,570,000	525.70	52,570,000	525.70
	52,570,000	525.70	52,570,000	525.70

Terms of the Series A and Series B compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2019 : 0.50% p.a)
Conversion terms	a) On the expiry of 20 years from the closing date i.e., 18 November 2007 b) 1 Class A equity shares to be issued for 10 Series A and Series B CCDs on mandatory and compulsory conversion [Class A Equity shares: CCDs - 1:10]
Conversion date	17 November 2027

(iii) Series C - compulsorily convertible debentures*Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	Amount	No. of debentures	Amount
a) Embassy Inn Private Limited	30,090,000	300.90	30,090,000	300.90
	30,090,000	300.90	30,090,000	300.90

Terms of the Series C compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2019 : 0.50% p.a)
Conversion terms	a) On the expiry of 20 years from the closing date i.e., 18 November 2007 b) 1 Class C equity shares to be issued for 1 Series C CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	17 November 2027

(iv) Series D - compulsorily convertible debentures*Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	48,747,304	487.47	48,747,304	487.47
b) BREP VII SG City View Holding (NQ) Pte Ltd	12,178,239	121.78	12,178,239	121.78
c) BREP Asia SBS City View Holding (NQ) Ltd	231,363	2.31	231,363	2.31
d) BREP VII SBS City View Holding (NQ) Ltd	66,427	0.66	66,427	0.66
	61,223,333	612.22	61,223,333	612.22

Terms of the Series D compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2019 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 22 December 2014 b) 1 Class A equity shares to be issued for 10 Series D CCDs on mandatory and compulsory conversion [Class A Equity shares: CCDs - 1:10]
Conversion date	21 December 2023

(v) Series E - compulsorily convertible debentures*Amount in INR millions(except debenture data)*

Name of debenture holders	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	29,282,354	292.82	29,282,354	292.82
b) BREP VII SG City View Holding (NQ) Pte Ltd	7,315,431	73.15	7,315,431	73.15
c) BREP Asia SBS City View Holding (NQ) Ltd	138,979	1.39	138,979	1.39
d) BREP VII SBS City View Holding (NQ) Ltd	39,903	0.40	39,903	0.40
	36,776,667	367.76	36,776,667	367.76

Terms of the Series E compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2019 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 12 November 2014 (No. of debentures - 24,500,000) and 27 November 2014 (No. of debentures - 12,276,667) b) 1 Class C equity shares to be issued for 1 Series E CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	11 November 2023 and 26 November 2023

(vi) Series F - compulsorily convertible debentures*Amount in INR millions(except debenture data)*

Name of debenture holders	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	15,978,374	159.78	15,978,374	159.78
b) BREP VII SG City View Holding (NQ) Pte Ltd	3,991,778	39.92	3,991,778	39.92
c) BREP Asia SBS City View Holding (NQ) Ltd	74,547	0.75	74,547	0.75
d) BREP VII SBS City View Holding (NQ) Ltd	21,747	0.22	21,747	0.22
e) Embassy Inn Private Limited	16,418,001	164.18	16,418,001	164.18
	36,484,447	364.85	36,484,447	364.85

Terms of the Series F compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2019 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 26 October 2016 b) 1 Class C equity shares to be issued for 1 Series F CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	25 October 2025

17 Other equity

Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Retained earnings		
At the commencement of the year	(2,378.26)	(3,156.55)
Adjustment pursuant to adoption of Ind AS 115	-	(356.03)
Add: profit/ (loss) for the year	(114.20)	1,134.32
At the end of the year	(2,492.46)	(2,378.26)

Nature and purpose of other reserves:**Retained earnings:**

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the period/year, the profit/ (loss) after tax is transferred from the statement of profit and loss to the retained earnings account.

The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from sale of residential apartments. The Company has applied the modified retrospective approach to contracts for sale of apartments that were not completed as of 1 April 2018 and has given impact of transition to Ind AS 115 by adjusting Rs 356.03 million in the opening balance of retained earnings as on 1 April 2018. Due to the application of Ind AS 115 for the previous year ended 31 March 2019, revenue from sale of apartments is lower by Rs 299.45 million and Net profit after tax (including impact of IND AS 115) is higher by Rs 207.17 million, vis-a-vis the amounts if replaced standards were applicable.

18 Borrowings

Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Secured:		
Term loans from banks		
- Indian Overseas Bank	-	14.38
- Oriental Bank of Commerce	-	7.41
- HSBC Ltd	-	15.44
- ICICI Bank Limited	-	109.04
Term loans from financial institutions		
- PNB Housing Finance Limited	4,670.30	6,188.65
Vehicle loans		
- <i>HDFC Bank Limited</i>	-	-
Unsecured:		
Liability component of Compulsory convertible debentures (refer note 16)	83.09	75.53
	4,753.39	6,410.45

A) i) Term loans (including current maturities of long-term debt) from Indian Overseas Bank having an outstanding balance amounting to Nil (31 March 2019 : INR 14.38 million) are secured by:

1. First ranking pari passu:

- mortgage over land measuring 6.47 acres situated at First C Main Hebbal Mill, Ganganagar, Bellary road, Bangalore
- includes charge by way of equitable mortgage on buildings including hotel, residences, commercial, rental builtup space
- charge on receivables on sold and unsold units
- charge by way of equitable mortgage on hotel constructed space and corresponding undivided share of land
- all bank accounts related to company the collection account, expenditure account, debt service reserve account
- movable fixed assets and current assets both present and future of four seasons hotel

b. Repayment terms and interest terms

The term loan carries interest at benchmark 1 year MCLR of the bank + spread of 1.10%

Term Loan I (Facility of INR 2,300 millions) shall be repaid in 32 structured quarterly installments starting from September 2019

Term Loan II (Facility of INR 3,700 millions) shall be repaid in 16 structured quarterly installments starting from September 2018

The Term Loan II has been preclosed in the previous year

The Term Loan I has been transferred as part of disposal of business operations on a going concern basis in the previous year. However, the balance loan has been repaid on 03 April 2019.

Notes to the financial statements

ii) Term loans (including current maturities of long-term debt) from Oriental Bank of Commerce having an outstanding balance amounting to Nil (31 March 2019 : INR 7.41 million) are secured by:

1. First ranking pari passu:

- mortgage over land measuring 6.47 acres situated at First C Main Hebbal Mill, Ganganagar, Bellary road, Bangalore
- includes charge by way of equitable mortgage on buildings including hotel, residences, commercial, rental builtup space
- charge on receivables on sold and unsold units
- charge by way of equitable mortgage on hotel constructed space and corresponding undivided share of land
- all bank accounts related to company the collection account, expenditure account, debt service reserve account
- movable fixed assets and current assets both present and future of four seasons hotel

b. Repayment terms and interest terms

The term loan carries interest at benchmark 1 year MCLR of the bank + spread of 2%

Penal interest shall be chargeable at 2% over and above normal rate for any irregularity due to any reason whatsoever

Term Loan I (Facility of INR 1,150 millions) shall be repaid in 32 structured quarterly installments starting from September 2019

Term Loan II (Facility of INR 1,850 millions) shall be repaid in 16 structured quarterly installments starting from September 2018

The Term Loan II has been preclosed in the previous year

The Term Loan I has been transferred as part of disposal of business operations on a going concern basis in the previous year. However, the balance loan has been repaid on 03 April 2019.

iii) Term loans from HSBC Ltd having an outstanding balance amounting to Nil (31 March 2019 : INR 15.44 million)

- The amount sanctioned under the Facility shall be INR 2,500 million
- The purpose of the facility is to refinance other Embassy Group borrowings and interest there on
- The Facility shall carry an interest rate which is mutually agreed with reference to Bank MCLR and the same shall be paid monthly in arrears
- The Facility shall be fully repaid after 2 years

The Term Loan has been transferred as part of disposal of business operations on a going concern basis in the previous year. However, the balance loan has been repaid on 02 April 2019

iv) Construction finance (including current maturities of long-term debt) from PNB Housing Finance Ltd having an outstanding balance amounting to INR 6215.50 million (31 March 2019 : 6,188.65 million) are secured by:

First and exclusive charge by way of registered MOE of unsold residential units on south and north tower along with undivided interest on project land measuring 281,770 sft and structure thereon

Hypothecation and escrow of total receivables of INR 15,886.80 million (Sold and unsold) million of the project

Letter of comfort from Embassy Property Development Private Limited

- The amount sanctioned under the Facility shall be INR 7,000 million
- The purpose of the Facility is for the construction and development of the project - residential units of south and north towers
- The Facility shall carry a floating rate of interest currently 11.50% linked with PNBHFR
- The Facility shall be repaid in 42 monthly installments after the moratorium period of 18 months

Based on RBI notification dated 23rd March 2020, the Company has applied for moratorium towards interest and principal repayments falling due for the month of March 2020 to May 2020. The said application for relief in payment of Interest and principal amount was approved by the Financial Institution for the Moratorium period ended on 31 May, 2020. Further, based on RBI's subsequent notification dated 23 May, 2020, the Company has requested for further extension of moratorium for further period till 31 August, 2020. The said application has been approved by the Financial Institution. The financial institution is yet to provide the revised repayment schedule and hence classification of the current maturities has been done based on the available repayment schedule prior to moratorium approval.

Note : The above amounts include INR 1605.67 million (31 March 2019 : Nil) of loan balance disclosed as current maturities of long term debt under Note 22.

v) Term loans from ICICI Bank Ltd having an outstanding balance amounting to Nil (31 March 2019 : INR 109.04 million) are secured by:

First and exclusive charge by way of equitable mortgage on commercial and retail portion measuring 250,094 sft and structure thereon.

First exclusive charge by way of hypothecation on future scheduled receivables of commercial and retail portion.

Letter of comfort from Embassy Property Development Private Limited

- The amount sanctioned under the Facility shall be INR 3,750 million and a non fund based sub-limit of INR 1,000 million
- The purpose of the Facility is for repayment of existing loans from Indian Overseas Bank, Oriental Bank of Commerce and Embassy Inn Pvt Ltd

c) The Facility shall carry an floating rate of interest calculated at 1yr MCLR + spread which is currently 8.65% + 1.85% respectively

d) The Facility shall be repaid in 144 monthly installments to the extent of INR 1,753.2 million starting from September 2019 and balance INR 1,996.80 million on August 15, 2031

The Term Loan has been transferred as part of disposal of business operations on a Going concern basis in the previous year. However, the balance loan has been repaid on 04 April 2019.

19 Other non-current financial liabilities

Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Retention dues	64.86	104.89
	64.86	104.89

20 Provisions

Amount in INR million

Particulars	As at	As at
	31 March 2020	31 March 2019
Provision for compensated absences (refer note no 37)	0.07	-
Provision for Gratuity (refer note 37)	0.25	-
	0.32	-

Note : On March 31, 2019, the provision towards compensated absences and gratuity amounting to INR 0.79 million and INR 0.40 million respectively has been transferred as part of disposal of business operations on a going concern basis.

21 Trade payables

Amount in INR million

Particulars	As at	As at
	31 March 2020	31 March 2019
Trade payables		
- to micro and small enterprises	159.84	36.48
- to related parties (refer note 38)	24.66	26.40
- to others	307.96	32.21
	492.45	95.09

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on information received and available with the Company. The Company has dues to micro and small enterprises as at 31 March 2020 which is depicted as follows:

Amount in INR million

Particulars	As at	As at
	31 March 2020	31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal & (ii) Interest	159.84	36.48
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest & (ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006(refer note no.33(v))	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year. The Company has not received any claim for interest during the year ended 31 March 2020 and 31 March 2019.

22 Other current financial liabilities*Amount in INR million*

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturity of long term debt		
- from financial institutions (refer note 18(A iv))	1,605.67	-
Interest accrued but not due		
- on term loans	22.27	30.48
Retention dues	190.48	119.24
Other payables		
- for purchase of investment property (refer note no 38)	289.37	555.95
- for expenses (refer note no 38)	318.22	255.66
- other payables (refer note no 38)	22.04	39.53
	2,448.05	1,000.86

23 Other current liabilities*Amount in INR million*

Particulars	As at 31 March 2020	As at 31 March 2019
Advance received for sale of properties	1,355.69	1,374.89
Statutory dues	15.98	25.22
Accrued salaries and benefits	0.28	-
	1,371.94	1,400.11

24 Provisions*Amount in INR million*

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for compensated absences (refer note no 37)	0.01	-
Provision for Gratuity (refer note no 37)	0.00	-
	0.01	-

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25 Revenue from operations

Amount in INR million

Particulars	For year ended 31 March 2020	For the year ended 31 March 2019
Proceeds from sale of land and properties under construction	149.62	-
	149.62	-

26 Other income

Amount in INR million

Particulars	For year ended 31 March 2020	For the year ended 31 March 2019
Interest on income tax refund	-	0.59
Foreign exchange gain (net)	-	2.88
Miscellaneous income	0.44	1.02
Interest income on intercorporate deposits	208.74	-
Interest income on bank deposits	0.05	-
	209.23	4.49

27 Employee benefit expenses

Amount in INR million

Particulars	For year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	12.31	4.65
Contribution to provident and other funds	0.57	-
Staff welfare expenses	0.29	1.17
	13.17	5.82

28 Finance costs

Amount in INR million

Particulars	For year ended 31 March 2020	For the year ended 31 March 2019
Interest on debts and borrowings	79.41	30.70
Others	8.61	-
	88.03	30.70

29 Depreciation and amortization expense

Amount in INR million

Particulars	For year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on Property, plant and equipment (refer note 5(b))	0.04	0.04
	0.04	0.04

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30 Other expenses*Amount in INR million*

Particulars	For year ended 31 March 2020	For the year ended 31 March 2019
Selling and marketing expenses	8.26	16.02
Rates and taxes	11.33	34.17
Legal and professional fees	4.01	19.93
Maintenance expense	74.63	22.21
Power and fuel	32.38	4.96
Insurance	2.75	2.91
Provision for doubtful advances	-	6.25
Travelling and conveyance	0.94	0.62
Bank charges	1.71	6.03
Miscellaneous expenses	2.49	3.25
	138.50	116.35

31 Auditor's remuneration (included in legal and professional charges and excludes goods and service tax)*Amount in INR million*

Particulars	For year ended 31 March 2020	For the year ended 31 March 2019
As auditor		
- for statutory audit	1.00	3.00
- for tax audit	0.10	-
Reimbursement of expenses	-	0.30
	1.10	3.30

32 Discontinued operation

During the previous year the Company has disposed a part of its business operations on a going concern basis and has transferred all the assets and liabilities pertaining to the business operations for a consideration of INR 4,681.93 million. The transaction has been recognised separately under discontinued operation in the statement of profit and loss.

Amount in INR million

Particulars	For the year ended 31 March 2019
a) Analysis of profit from discontinued operation	
Income	
Other income	2,003.62
Total Income	2,003.62
Expenses	
Cost of goods sold	7.24
Employee benefits expense	135.38
Finance costs	304.95
Depreciation	36.90
Other expenses	160.43
Provision for impairment	-
Total expenses	644.90
Profit / (Loss) before tax	1,358.72
Tax expense	-
Profit / (Loss) after tax	1,358.72

Amount in INR million

Particulars	For the year ended 31 March 2019
b) Net cash flows attributable to the discontinued operations	
Net cash (outflows) / inflows from operating activities	(308.88)
Net cash used in investing activities	2,295.77
Net cash (outflows) / inflows from financing activities	(2,421.76)
Net cash outflows	(434.87)

33 Contingent liabilities and commitments

Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Other commitments	1,347.25	1,410.44
Contingent liabilities		
Claims against the Company not acknowledged as debt:		
- Service tax matters under dispute [Note (i)]	57.32	57.32
- Income tax [Note (ii)]	10.49	10.49
- Other tax matters [Note (iii)]	-	-

Notes:

- (i) The Company received a demand notice from the Service Tax authorities relating to recovery of CENVAT credit that the Company has availed during the period October 2007 to September 2010. The Company is disputing the demand and has appealed against the order with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Bengaluru.
- (ii) The Company has received an Income tax demand of INR 10.49 millions for AY 2016-17 due to disallowance of business loss on grounds of non commencement of business. The Company has filed an appeal against the same and is pending for hearing with CIT Appeals, Bengaluru
- (iii) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act (the Act), 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the date as required by law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.
- The income tax assessment for the financial year 2008-09 and 2009-10 has been completed and a draft assessment order has been received, which contains a transfer pricing adjustment of INR 212.63 millions and INR 6.89 millions respectively for the years, being disallowance of interest on CCDs capitalised in the books. However, there is no tax demand as per the order. The Company has filed an appeal u/s 246A(1)(a) of the Act as on 14 May 2013. As per the appeal the company has contested the disallowance made in respect of the interest capitalisation on Compulsory convertible debentures. The order with respect to the appeal is yet pending.
- (iv) As per RERA regulations, if a promoter is unable to complete or give possession of an apartment, plot or building in accordance with the terms of agreement for sale, or as the case may be, duly completed by the date specified therein, he shall be liable to interest on demand of the allottee. Further this point has been absorbed in the construction agreement stating that a compensation would be payable to the allottee till the date of delivery in case of any delay caused. Since the management is of the opinion that the possibility of claim from the allottees are remote, the same has not been disclosed as a contingent liability.
- (v) The Company has a system for maintenance of documents and other relevant information in respect of amounts due by it to parties who are registered as micro and small enterprises. As at 31 March 2020, the amounts due to micro and small enterprises is INR 159.84 million out of which INR 119.19 million is outstanding for more than 45 days from the appointed day (as defined in the 2(b) of the MSME Act 2006). As per the MSME Act 2006 Section 16, Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank. In this case, the management contends that the creditors has not raised any interest demand yet and the company has not paid interest during the year, and hence the interest accrued under section 16 of the MSME Act is not provided for.

34 Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the number of equity shares outstanding during the year.

(i) Basic EPS

Reconciliation of earnings used in calculating earnings/ (loss) per share:		Amount in INR million (except per share data)	
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	
Profits after tax			
From continuing operations	(114.20)	(224.39)	
From discontinuing operations	-	1,358.72	
Net earnings/ (loss) for basic earnings per share	(114.20)	1,134.32	
Reconciliation of number of shares used in computing earnings per share			
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	
Number of equity shares at the beginning of the year	132,727,280	132,727,280	
Add : Weighted number of equity shares issued during the year	-	-	
Number of equity shares for basic EPS	132,727,280	132,727,280	
Earnings/ (loss) per share:			
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	
From continuing operations	(0.86)	(1.69)	
From discontinuing operations	-	10.24	
From continuing and discontinued operations	(0.86)	8.55	

(ii) Diluted EPS

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the compulsorily convertible debentures) by the number of equity shares outstanding during the year plus the number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Reconciliation of earnings used in calculating earnings/ (loss) per share:			<i>Amount in INR million (except per share data)</i>
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	
Profits after tax from continuing operations	(114.20)	(224.39)	
Profit after tax from discontinuing operations	-	1,358.72	
Net earnings/ (loss) for diluted earnings per share	(114.20)	1,134.32	

Reconciliation of number of shares used in computing earnings per share		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Number of equity shares at the beginning of the year	132,727,280	132,727,280
Add : Effect of conversion of convertible debentures	-	128,230,447
Number of equity shares for diluted EPS	132,727,280	260,957,727

Earnings/ (loss) per share:		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
From continuing operations	(0.86)	(1.69)
From discontinuing operations	-	5.21
From continuing and discontinued operations	(0.86)	4.35

For the year ended 31 March 2020 effect conversion of convertible debentures amounting to 12,82,30,447 (31 March 2019 - Nil) has not been considered for the calculation of number of equity shaares for diluted EPS as their result is anti-dilutive.

35 Segment information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "office space, retail, hotel and residential construction and related interiors"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considering necessary. The Company operates only in India. Hence no disclosure for geographical segment is considered necessary.

36 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:			<i>Amount in INR million</i>
Particulars	Year ended 31 March 2020	Year ended 31 March 2019	
Profit / (Loss) before tax	(114.20)	1,134.32	
Tax at the Indian tax rate of 26.00% (31 March 2019: 29.12%)	(29.69)	330.31	
Effect of:			
Differential tax on account of temporary differences	26.95	(169.85)	
Tax impact of slump sale considered in capital gain	-	(132.58)	
Impact of bought forward tax losses set-off	12.46	(41.55)	
Others	54.28	13.66	
Deferred tax not recognized on business losses	-	-	
At the effective income tax rate	-	-	
Income tax expense reported in the statement of profit and loss	-	-	

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	31 March 2020	31 March 2019
Carry forward business loss and unabsorbed depreciation	1,118.43	1,126.51
	1,118.43	1,126.51

37 Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure computed at 15 days of salary (last drawn salary) for each completed year of service. The defined benefit gratuity plan is not funded.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity plan.

Changes in the present value of the defined benefit obligation are as follows:-*Amount in INR million*

	March 31, 2020	March 31, 2019
Opening defined benefit obligation	-	-
Interest cost	0.03	-
Current service cost	0.06	-
Past service cost	-	-
Benefits paid	-	-
Liabilities assumed/(settled)	-	-
Actuarial (gains) / losses on obligation	0.16	-
Closing defined benefit obligation	0.25	-

Balance sheet*Amount in INR million*

Details of provision for gratuity as at	March 31, 2020	March 31, 2019
Defined benefit obligation	0.25	-
Fair value of plan assets	-	-
Liability/(asset) recognised in the balance sheet	0.25	-

Statement of profit and loss*Amount in INR million*

	March 31, 2020	March 31, 2019
Net employee benefit expense for the year (recognised in employee cost)		
Current service cost	0.06	-
Past service cost	-	-
Interest cost on defined benefit obligation	0.03	-
Expected interest income on plan assets	-	-
Net benefit expense	0.09	-
Actual return on plan assets	-	-

Other comprehensive income

Amount in INR million

Remeasurement gains and losses (recognised in OCI)	March 31, 2020	March 31, 2019
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain/(loss) on arising from change in demographic assumption	0.15	-
Actuarial gain/(loss) on arising from change in financial assumption	0.03	-
Actuarial gain/(loss) on arising from experience adjustment	(0.01)	-
Actuarial (gain) /loss for the year on asset	-	-
Net cumulative unrecognized actuarial gain/(loss) closing	0.16	-

Sensitivity analysis of the defined benefit obligation

Amount in INR million

Impact of the change in discount rate	
Present value of obligation at the end of the period	0.25
Impact due to increase of 0.50 %	(0.02)
Impact due to decrease of 0.50 %	0.02
Impact of the change in salary increase	
Present value of obligation at the end of the period	0.25
Impact due to increase of 0.50 %	0.02
Impact due to decrease of 0.50 %	(0.02)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:-

Discount rate	6.85%
Salary growth rate	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to the financial statements

38 Related parties disclosures

(i) Name of related parties and description of relationship:

A. Enterprises and individuals who exercise joint control

Embassy Inn Private Limited, India
Embassy Property Developments Private Limited, India
JV Holdings Private Limited, India
WWD Pearl Limited, Mauritius
BREP Asia SG City View Holding (NQ) Pte. Limited , Singapore
BREP VII SG City View Holding (NQ) Pte Limited, Singapore
BREP Asia SBS City View Holding (NQ) Limited, Cayman
BREP VII SBS City View Holding (NQ) Limited, Cayman

B. Other related parties with whom transactions have taken place during the year

Key management personnel (KMP)

Rajesh Narayanan Kaimal(appointed on 01-07-2019)
Aditya Virwani(appointed on 10-12-2019)
Asheesh Mohta
Siddharth Nawal

Fellow subsidiaries of enterprise who exercise joint control

Embassy Services Private Limited, India
Quadron Business Park Private Limited, India

(ii) The following is a summary of related party transactions

Amount in INR million

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loan given / (repayment received) to related parties		
Embassy Inn Private Limited	(1,018.06)	2,304.93
Project cost		
Embassy Services Private Limited	32.92	-
Advance for purchase of Transferable development rights (TDRs)		
Embassy Property Developments Private Limited	-	810.00
Business consultancy services(Project Cost)		
Embassy Property Developments Private Limited	107.89	187.85
(Repayment) / Availment of loan from related party		
Embassy Inn Private Limited	-	(2,800.00)
Interest on loan to related party		
Embassy Inn Private Limited	208.74	1.02
Sale of commercial and hotel business		
Quadron Business Park Private Limited, India	-	4,681.93
Other income		
Quadron Business Park Private Limited, India	2.06	-
Interest on Compulsorily Convertible Debentures (CCDs)		
BREP VII SG City View Holding (NQ) Pte Ltd	1.10	1.00
BREP Asia SBS City View Holding (NQ) Ltd	0.02	0.02
BREP VII SBS City View Holding (NQ) Ltd	0.01	0.01
BREP Asia SG City View Holding (NQ) Pte Ltd	4.39	4.00
Embassy Inn Private Limited	4.31	3.92
Interest on loan from related party		
Embassy Inn Private Limited	-	269.28
Advertisement Charges		
JV Holdings Private Limited	0.24	-

Notes to the financial statements

Maintenance charges

Embassy Services Private Limited	74.61	74.57

Miscellaneous expenses

Embassy Services Private Limited	0.00	-

Power and fuel

Embassy Services Private Limited	19.13	-

Reimbursement expenses

Quadron Business Park Private Limited, India	9.38	-

Selling and marketing expenses

Quadron Business Park Private Limited, India	0.52	-

(iii) Balances receivable from and payable to related parties:

Amount in INR million

Particulars	As at 31 March 2020	As at 31 March 2019
Loan to related party		
Embassy Inn Private Limited	1,286.87	2,304.93
Advance for purchase of TDRs		
Embassy Property Developments Private Limited	810.00	810.00
Other receivables		
Quadron Business Park Private Limited, India	2.31	-
Interest accrued but not due on Compulsory Convertible Debentures		
BREP VII SG City View Holding (NQ) Pte Ltd	9.26	8.42
BREP Asia SBS City View Holding (NQ) Ltd	0.18	0.16
BREP VII SBS City View Holding (NQ) Ltd	0.05	0.05
BREP Asia SG City View Holding (NQ) Pte Ltd	37.07	33.70
Embassy Inn Private Limited	36.53	33.21
Interest accrued but not due on loan from related party (Current and non-current)		
Embassy Inn Private Limited	188.89	1.02
Other current liabilities		
Embassy Property Developments Private Limited	-	26.90
Payable for purchase of investment property		
Embassy Property Developments Private Limited	41.36	-
Payable for expenses		
Embassy Services Private Limited	29.99	-
JV Holdings Private Limited	3.05	-
Trade payables		
Embassy Property Developments Private Limited	24.66	13.98
Embassy Services Private Limited	-	12.42
Compulsory Convertible Debentures - Equity and Liability component		
BREP VII SG City View Holding (NQ) Pte Ltd	390.01	389.18
BREP Asia SBS City View Holding (NQ) Ltd	7.41	7.39
BREP VII SBS City View Holding (NQ) Ltd	2.13	2.12
BREP Asia SG City View Holding (NQ) Pte Ltd	1,561.14	1,557.83
Embassy Inn Private Limited	1,597.04	1,593.64
Trade payables		
Quadron Business Park Private Limited, India	0.06	-
Other payables		
Quadron Business Park Private Limited, India	7.66	-

Note:

Transactions with related parties have been shown after giving effect to the impact of reclassifications into liability and equity and adjustments arising on account of effective interest rate method under Ind AS.

39 Financial instruments - Fair values and risk measurement

A. Accounting classification and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Amount in INR million			
	As at 31 March 2020		As at 31 March 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortised cost:				
Other non-current financial assets	226.75	-	566.05	-
Loans	1,286.87	-	2,304.93	-
Trade receivables	67.36	-	24.00	-
Cash and cash equivalents	8.35	-	137.62	-
Other bank balances	-	-	219.66	-
Other current financial assets	225.09	-	9.02	-
Total	1,814.42	-	3,261.28	-
Financial liabilities measured at amortised cost:				
Borrowings	6,359.06	-	6,410.45	-
Interest accrued but not due				
- on term loans	22.27	-	30.48	-
Retention dues	255.33	-	224.13	-
Trade payables	492.45	-	95.09	-
Other financial liabilities	629.63	-	851.13	-
Total	7,758.74	-	7,611.30	-

The management has assessed that fair values of borrowings, Interest accrues but not due, retention dues, loans, trade receivables cash and cash equivalents, bank balances, borrowings, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (refer note ii below)
- liquidity risk (refer note iii below)
- market risk (refer note iv below)

(i) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure.

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. The Company has credit policies in place and exposure to the credit risk is monitored on an ongoing basis.

The Company establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to specific tenants or counterparties.

The allowance account is used to provide for impairment losses. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Also the cash and cash equivalents are and the bank balances are mainly held with nationalised banks which have a very low risk of default.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Exposure to liquidity risk

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities. The amounts are gross and undiscounted contractual cash flow.

<i>Amount in INR million</i>						
As at 31 March 2020	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	6,359.06	6,359.06	1,630.00	4,230.47	498.59	-
Interest accrued but not due						
- on term loans	22.27	22.27	22.27	-	-	-
Retention dues	255.33	255.33	190.48	64.86	-	-
Trade payables	492.45	492.45	492.45	-	-	-
Other financial liabilities	629.63	629.63	629.63	-	-	-
Total	7,758.73	7,758.74	2,964.82	4,295.33	498.59	-

<i>Amount in INR million</i>						
As at 31 March 2019	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	6,410.45	6,410.45	-	1,776.27	4,566.98	67.20
Interest accrued but not due						
- term loans	30.48	30.48	30.48	-	-	-
Retention dues	224.13	224.13	119.24	104.89	-	-
Trade payables	95.09	95.09	95.09	-	-	-
Other financial liabilities	851.13	851.13	851.13	-	-	-
Total	7,611.29	7,611.29	1,095.95	1,881.16	4,566.98	67.20

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which procurements are denominated and the respective functional currencies of the Company. The functional currencies of the Company is primarily INR. The currencies in which these transactions are primarily denominated are Singapore dollars, Euro and UAE dirham, USD etc.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

Exposure to interest rate risk:

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	Amount in INR million	
	31 March 2020	31 March 2019
Fixed-rate instruments:		
Financial assets	1,510.21	3,089.71
Financial liabilities	-	-
	1,510.21	3,089.71
Variable-rate instruments:		
Financial assets	-	-
Financial liabilities	6,359.06	6,410.45
	6,359.06	6,410.45

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Amount in INR million			
	Profit or loss		Equity, net of tax	
	1% increase	1% decrease	Strengthening	Weakening
31-Mar-20				
Variable rate borrowings	(63.59)	63.59	(63.59)	63.59
31-Mar-19				
Variable rate borrowings	(64.10)	64.10	(64.10)	64.10

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INDEPENDENT AUDITORS' REPORT

To the Members of Embassy One Developers Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Embassy One Developers Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's director's report but does not include the financial statements and our auditor's report thereon. The Company's directors' report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's director's report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Embassy One Developers Private Limited
Independent Auditor's Report (continued)

Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Embassy One Developers Private Limited
Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

Embassy One Developers Private Limited
Independent Auditor's Report (continued)
Report on Other Legal and Regulatory Requirements (continued)

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigation as at 31 March 2019 which would impact its financial position in its financial statements – Refer Note 32 to the financial statements.
- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
- iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16):

The Company is a private limited company and accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/W-100024

Sandeep Kukreja
Partner
Membership No: 220411
ICAI UDIN: 19220411AAAABC3843

Place: Bangalore
Date: 03 September 2019

Embassy One Developers Private Limited
Independent Auditor's Report (continued)
Annexure A to the Independent Auditor's Report

The Annexure A referred to in the Independent Auditor's Report to the members of Embassy One Developers Private Limited ("the Company") for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. Pursuant to the programme, certain fixed assets were physically verified during the year. No Material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property as at 31 March 2019. Thus, the paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The Company is primarily engaged in the business of real estate development and related services and holds inventories in the form of properties under development. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, there are no loans, investments, guarantee and security given in respect of which provisions of Section 185 of the Act are applicable. In our opinion, as the Company is in the business of providing infrastructural facilities, Section 186 is not applicable in respect of loans given by the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for maintenance of cost records under Section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

Embassy One Developers Private Limited
Independent Auditor's Report (continued)

Annexure A to the Independent Auditor's Report (continued)

- (vii) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income tax, Goods and Service Tax and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income Tax, Goods and Service Tax and other material statutory dues were in arrear as at 31 March 2019, for a period of more than six month from the date they become payable.

- b. According to the information and explanations given to us, there are no dues of income Tax or sales Tax or service Tax or duty of customs or duty of excise or value added tax which have not been deposited by the Company on account of disputes, except for the following:

Name of the statute	Nature of dues	Amount (in INR millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax demand (including interest)	10.49	Assessment Year 2016-17	Commissioner of Income tax (Appeals), Bangalore
Chapter V of the Finance Act, 1994	Service Tax	57.32	01 October 2007 to 30 September 2010	CESTAT, Bangalore

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company did not have any outstanding loans or borrowings from government and there are no dues to debentureholders during the year.
- (ix) According to the information and explanations given to us and based on examination of the records of the Company, the term loans obtained during the year were applied for the purpose for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no material fraud on the Company by its officers and employees or fraud by the Company has been noticed or reported during the course of our audit.

Embassy One Developers Private Limited
Independent Auditor's Report (continued)

Annexure A to the Independent Auditor's Report (continued)

- (xi) According to the information and explanations given to us, the Company is a private limited Company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us and in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for B S R & Associates LLP

Chartered Accountants

Firm's registration number: 116231W/W-100024

Sandeep Kukreja

Partner

Membership number: 220411

ICAI UDIN: 19220411AAAABC3843

Place: Bangalore

Date: 03 September 2019

Embassy One Developers Private Limited
Independent Auditor's Report (continued)

Annexure B to the Independent Auditor's Report on the financial statements of Embassy One Developers Private Limited for the year ended 31 March 2019.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Embassy One Developers Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Annexure B to the Independent Auditor's Report (continued)

Auditor's Responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for B S R & Associates LLP

Chartered Accountants

Firm's Registration No.: 116231W / W-100024

Sandeep Kukreja

Partner

Membership No: 220411

ICAI UDIN: 19220411AAAABC3843

Place: Bangalore

Date: 03 September 2019

Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Balance sheet
Amount in INR million

	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Investment property	4 (a)	-	3,134.57
Property, plant and equipment	4 (b)	0.08	583.35
Capital work-in-progress	4 (c)	-	4,853.26
Financial assets			
- Other financial assets	5	566.05	430.43
Deferred tax asset (net)	6	-	-
Other non-current assets	7	18.63	710.64
Total non-current assets		584.76	9,712.25
Current assets			
Inventories	8	6,653.76	4,168.74
Financial assets			
- Loans	9	2,304.93	-
- Trade receivables	10	24.00	196.74
- Cash and cash equivalents	11	137.62	87.60
- Bank balances other than cash and cash equivalents	12	219.66	15.00
- Other financial assets	13	9.02	6.17
Other current assets	14	1,501.30	162.15
Total current assets		10,850.29	4,636.40
Total assets		11,435.05	14,348.65
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,327.27	1,327.27
Equity component of compulsory convertible debentures	16	3,474.64	3,474.64
Other equity	17	(2,378.26)	(3,156.55)
Total equity		2,423.65	1,645.36
Non-current liabilities			
Financial liabilities			
- Borrowings	18	6,410.45	9,876.15
- Other financial liabilities	19	104.89	249.36
Other non-current liabilities	20	-	-
Total non-current liabilities		6,515.34	10,125.51
Current liabilities			
Financial liabilities			
- Trade payables			
Total outstanding dues of micro and small enterprises	21	-	-
Total outstanding dues of creditors other than micro and small enterprises	21	95.09	161.59
- Other financial liabilities	22	1,000.86	1,955.04
Other current liabilities	23	1,400.11	461.15
Total current liabilities		2,496.06	2,577.78
Total equity and liabilities		11,435.05	14,348.65

Significant accounting policies 3

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W / W-100024

for and on behalf of the Board of Directors of

Embassy One Developers Private Limited
Sandeep Kukreja

Partner

Membership No. 220411

Rajesh Kaimal

Director

DIN : 03158687

D Vijay Kumar

Director

DIN: 00036772

Ritesh S

Company Secretary

Place: Bangalore

Date:

Place : Bangalore

Date :

Place : Bangalore

Date :

Place : Bangalore

Date :

Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Statement of profit and loss

		<i>Amount in INR million</i>	
	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	24	-	603.40
Other income	25	4.49	18.80
Total income		4.49	622.20
Expenses			
Cost of goods sold		-	343.21
Employee benefits expense	26	5.82	-
Finance costs	27	30.70	43.00
Depreciation	28	0.04	0.04
Other expenses	29	116.35	136.30
Provision for onerous contracts		75.97	-
Total expenses		228.88	522.55
Profit / (Loss) from continuing operations before tax		(224.39)	99.65
Tax expense			
- Current tax		-	-
- Deferred tax	6	-	-
Profit from continuing operations after tax		(224.39)	99.65
Discontinued operations	31		
Profits / (Loss) from discontinued operations before tax		1,358.72	(1,519.20)
Tax expense of discontinued operations		-	-
Profit from discontinued operations after tax		1,358.72	(1,519.20)
Profit/ (loss) for the year		1,134.32	(1,419.55)
Other comprehensive income:		-	-
Total Comprehensive Income for the year		1,134.32	(1,419.55)
Earnings / (loss) per equity share:	33		
Continuing operations			
- Basic		(1.69)	0.75
- Diluted		(1.69)	0.38
Discontinued operations			
- Basic		10.24	(11.45)
- Diluted		5.21	(11.45)
Continuing and discontinued operations			
- Basic		8.55	(10.70)
- Diluted		4.35	(10.70)
Significant accounting policies	3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W / W-100024

for and on behalf of the Board of Directors of
Embassy One Developers Private Limited

Sandeep Kukreja
Partner
Membership No. 220411

Rajesh Kaimal
Director
DIN : 03158687

D Vijay Kumar
Director
DIN: 00036772

Ritesh S
Company Secretary

Place: Bangalore
Date:

Place : Bangalore
Date :

Place : Bangalore
Date :

Place : Bangalore
Date :

Embassy One Developers Private Limited

CIN : U45202KA2007PTC084541

Statement of changes in equity

A. Equity share capital

<i>Amount in INR million</i>	
Particulars	Amount
<i>Equity shares of Rs 10 each issued, subscribed and fully paid</i>	
Balance as at 1 April 2017	1,327.27
Changes in equity share capital during 2017-18	-
Balance as at 31 March 2018	1,327.27
Changes in equity share capital during 2018-19	-
Balance as at 31 March 2019	1,327.27

B. Other equity

<i>Amount in INR million</i>			
Particulars	Equity contribution through CCD	Reserves and Surplus Retained Earnings	Equity attributable to owners of the company
Balance as at 1 April 2018	3,474.64	(3,156.55)	318.09
Adjustment pursuant to adoption of Ind AS 115 (refer note 17)	-	(356.03)	(356.03)
Restated balance as at 1 April 2018	3,474.64	(3,512.58)	(37.94)
Total comprehensive income for the year ended 31 March 2019	-	1,134.32	1,134.32
Balance as at 31 March 2019	3,474.64	(2,378.26)	1,096.38

<i>Amount in INR million</i>			
Particulars	Equity contribution through CCD	Reserves and Surplus Retained Earnings	Equity attributable to owners of the company
Balance as at 1 April 2017	3,474.64	(1,737.00)	1,737.64
Total comprehensive income for the year ended 31 March 2018	-	(1,419.55)	(1,419.55)
Balance as at 31 March 2018	3,474.64	(3,156.55)	318.09

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W / W-100024

for and on behalf of the Board of Directors of

Embassy One Developers Private Limited

Sandeep Kukreja

Partner

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Director

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Ritesh S

Company Secretary

Place: Bangalore

Date:

Place : Bangalore

Date :

Place : Bangalore

Date :

Place : Bangalore

Date :

Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Statement of cash flows

	<i>Amount in INR million</i>	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities		
Profit / (Loss) from continuing operations before tax	(224.39)	99.65
Profits / (Loss) from discontinued operations before tax	1,358.72	(1,519.20)
Adjustments:		
- Interest expense (including fair value change in financial instruments)	335.65	316.19
- Depreciation and amortization	36.94	21.18
- Profit on disposal of business operations	(807.70)	-
- Provisions / (reversal) of impairment loss	(1,195.29)	1,195.29
- Provision for onerous contracts	75.97	-
- Provision for doubtful advance	6.25	-
Operating cash flow before working capital changes	(413.85)	113.11
Changes in		
- Other current and non-current assets	(1,248.40)	272.87
- Other current and non-current financial assets	(13.69)	-
- Trade receivables	172.73	(196.74)
- Inventories	(1,757.07)	(1,437.22)
- Trade payables	(55.86)	81.70
- Current and non-current financial liabilities	117.58	52.71
- Other current and non-current liabilities	(143.83)	62.55
Cash generated from operations	(3,342.39)	(1,051.02)
Income taxes paid	0.80	(6.77)
Cash generated from / (used in) operations	(3,341.59)	(1,057.79)
Cash flows from investing activities		
Purchase of property, plant and equipment and investment property	(2,386.16)	(2,279.04)
Disposal of business operation	4,681.93	-
Interest received	-	1.64
Net cash generated from/(used in) investing activities	2,295.77	(2,277.40)
Cash flows from financing activities		
Proceeds/ (repayment) from borrowings	4,329.81	3,758.00
Loans given	(2,304.93)	-
Interest paid	(586.96)	(297.35)
Decrease/ (increase) in deposits accounts	(342.08)	(200.39)
Net cash used in financing activities	1,095.84	3,260.26
Increase in cash and cash equivalents	50.02	(74.93)
Cash and cash equivalents at the beginning of the year	87.60	162.53
Cash and cash equivalents at the end of the year	137.62	87.60
Components of cash and cash equivalents (refer note 11)		
Balances with banks:		
- in current accounts	104.50	74.83
- in fixed deposits	6.56	10.00
- in escrow account	26.54	2.77
Cash on hand	0.02	0.00
Cash and cash equivalents at the end of the year	137.62	87.60

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W / W-100024

for and on behalf of the Board of Directors of
Embassy One Developers Private Limited

Sandeep Kukreja
Partner
Membership No. 220411

Rajesh Kaimal
Director
DIN : 03158687

D Vijay Kumar
Director
DIN: 00036772

Ritesh S
Company Secretary

Place: Bangalore
Date:

Place : Bangalore
Date :

Place : Bangalore
Date :

Place : Bangalore
Date :

1 Company background

Embassy One Developers Private Limited ('the Company') was incorporated on 10 August 2007 under the Companies Act, 1956. The Company was incorporated as ETA Star Citi Centre Bangalore Limited which was changed to City View Bangalore Properties Private Limited. The name was further renamed to Embassy One Developers Private Limited on 4 June 2015. The objective of the Company is to develop office space, retail, hotel and residential construction and related interiors in Bangalore. The registered office of the Company is at Bangalore, Karnataka. The Company is engaged in the construction and development of a mixed use project i.e., Four Seasons hotel, residential apartments, commercial and retail space. The cost incurred during the year for construction of hotel is classified as property, plant and equipment as it was held for own use, the commercial and retail portion was classified as Investment property and the cost carried towards residential apartments is classified as inventories as they are held for sale. However during the Financial year 2018-19 the Company has disposed the business operations pertaining to Hotel, commercial and retail space as a Going concern along with the respective assets and liabilities.

2 Basis of preparation of financial statements

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the "Act") and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 03 September 2019

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been presented in millions, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values

2.4 Measurement of Fair Values

A number of Company's accounting policies and disclosures require a measurement of their fair value, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes periodic review of all significant fair value measurement, including level 3 fair values and reports directly to the director. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of directors.

The Management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 3.01 : Property, plant and equipment;
- Note 3.02 : Investment property;
- Note 37 : Financial instruments

2.5 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

a) Judgements

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 3.01 : Property, plant and equipment and
- Note 3.02 : Investment property.

b) Assumptions and estimations uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial year ending 31 March 2019 are included in the following notes:

- Note 6 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 32 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.01- estimated useful life of property plant and equipment and
- Note 3.03 - impairment of assets

2.6 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.01 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

3.01 Property, plant and equipment (continued)

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Property, plant and equipment

Assets	Management estimate of useful life (years)	Useful life as per Schedule II of Companies Act, 2013 (years)
Building	60	60
Office Equipments	5	5
Electrical equipments	10	10
Plant and machinery	15	15
Computer	3	3
Furniture and fixtures	10	10
Vehicles	10	10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

3.02 Investment properties

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Investment property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are depreciated on straight-line method over their estimated useful lives. However, where the management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

The fair value of investment property is disclosed in the note 4(a). Fair values are determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Note: Plant and machinery, furniture and fixtures and electrical equipments which are physically attached to the commercial buildings are considered as part of investment property.

3.02 Investment properties (continued)

ii. Depreciation

Pursuant to this policy, Management's estimates of useful life of the following major assets are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II of Companies Act, 2013
Buildings	5-60 years	60 years
Plant and machinery	15 years	15 years
Furniture and fixtures	10-15 years	10 years
Electrical equipments	10 years	15 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Pro-rata depreciation is provided on properties purchased or sold during the year.

3.03 Impairment of assets

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;
- no debt instruments

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or the other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-months expected credit losses are the portion of expected credit loss that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 180 days or past due.

3.03 Impairment of assets (continued)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for the financial assets measured at amortised cost are deducted from the gross carrying amount of assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of the amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents smallest group of assets that generates cash inflows that are largely independent of the cash inflows or other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

3.04 Revenue recognition

Ind AS 115 Revenue from Contracts with Customers is mandatorily applicable from reporting period beginning on or after April 1, 2018. Ind AS 115 replaces existing the existing standard on revenue recognition Ind AS 18 ("Revenue recognition") and Ind AS 11 ("Construction Contracts").

Revenue is recognized upon transfer of control of residential units to customers and on completion of critical obligation as per the customer contract, in an amount that reflects the consideration the Company expects to receive in exchange for those residential units. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units and on completion of critical obligation as per the customer contract.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

3.05 Recognition of dividend income, interest income or expense

a) Dividend income

Dividends are recognised in statement of profit and loss on the date on which the Company's right to receive payment is established.

b) Interest income or expense

Interest income or expense is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of a financial asset; or
- the amortised cost of financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.06 Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial assets or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at,

- amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrecoverably elect to present subsequent changes in investment's fair value in OCI (designated as FVOCI - equity investment). The election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3.06 Financial instruments (continued)

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial asset to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risk that affects the performance of the business model (and the financial asset held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of the financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

To assess whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate futures;
- prepayments and extension features; and
- terms that limits the Company's claim to cash flows from specified assets (e.g. non-recourse feature)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

3.06 Financial instruments (continued)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL :

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost :

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities : Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains or losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of the ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the extinguished liability and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Embedded derivatives

When the Company becomes a party to a hybrid contract with a host that is not an asset within the scope of Ind AS 109 Financial Instruments, it identifies whether there is an embedded derivative. Embedded derivatives are separated from the host contract and accounted for separately in accordance with Ind AS 109 if the host contract is not a financial asset and certain criteria are met.

3.07 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.08 Taxes

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT')

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.09 Provisions

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-fix rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A Contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3.10 Earnings / (Loss) per share

The basic earnings/ (loss) per share is computed by dividing the net profit/ (loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3.11 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at exchange rate at the date of transaction. Exchange differences are recognised in profit and loss account, except exchange difference arising from transaction of the following items which are recognised in OCI.

- equity investment at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in foreign operation to the extent that the hedge is effective and
- qualifying cash flow hedges to the extent that the hedges are effective

3.12 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in the books of accounts but its existence is disclosed in the financial statements.

3.13 Errors and estimates

The Company revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to profit or loss is applied prospectively in the period(s) of change.

Discovery of errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

3.14 Subsequent events

These financial statements are adjusted to reflect events that occur after the reporting date but before the financial statements are issued.

3.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing the properties to their present location and condition. The method of determination of cost for various categories of inventories is as follows:

Land, including transferable development rights, are valued at cost of acquisition. Cost includes acquisition cost and related development charges. Finished stocks of constructed properties are valued at their cost of construction / acquisition.

The net realisable value of work in progress is determined with reference to the selling prices of related constructed property. Raw materials and other supplies held for use in construction of property are not written below cost except in cases where material prices have declined and it is estimated that the cost of constructed property will exceed their net realisable value.

3.16 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.17 Statement of Cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

3.18 Employee benefits

a) Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

b) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive income in the period in which they occur.

Gratuity scheme is administered through a trust with the Life Insurance Corporation of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

c) Short-term benefit plans

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized and measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

3.19 Recent accounting pronouncements

Ind AS 116 Leases was notified in March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Recent accounting pronouncements (continued)

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases. The Company intends to adopt these standards, if applicable, when they become effective. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its standalone Ind AS financial statements.

Ind AS 12 Income taxes Appendix C (amendments relating to uncertainty over income tax treatments)

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12.

Appendix C to Ind AS 12 applies while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

It outlines the following: (1) the entity has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The effective date for adoption of Ind AS 12 Appendix C is financial periods beginning on or after April 1, 2019. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 12 Income tax (amendments relating to income tax consequences of dividend)

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The effective date for adoption of this amendment is financial periods beginning on or after April 1, 2019. The Company has evaluated the effect of this on the financial statements and the impact is not material.

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Embassy One Developers Private Limited
CIN : U45202KA2007PTC084541
Notes to the financial statements
4 (a) Investment property (IP)

Reconciliation of carrying amount for the year ended 31 March 2019 and 31 March 2018

Amount in INR million

Particulars	Tangible, Owned					Total
	Freehold Land	Building	Furniture and fixtures	Electrical equipments	Plant and machinery	
Gross carrying value						
Balance as at 1 April 2017	-	-	-	-	-	-
Additions	410.05	2,242.66	5.78	243.10	253.32	3,154.91
Disposals	-	-	-	-	-	-
Balance as at 31 March 2018	410.05	2,242.66	5.78	243.10	253.32	3,154.91
Balance as at 1 April 2018	410.05	2,242.66	5.78	243.10	253.32	3,154.91
Additions	-	10.22	-	-	-	10.22
Disposals (Note 3)	(410.05)	(2,252.88)	(5.78)	(243.10)	(253.32)	(3,165.13)
Balance as at 31 March 2019	-	-	-	-	-	-
Accumulated depreciation						
Balance as at 1 April 2017	-	-	-	-	-	-
Charge for the year	-	9.42	0.15	6.40	4.37	20.33
Balance as at 31 March 2018	-	9.42	0.15	6.40	4.37	20.33
Balance as at 1 April 2018	-	9.42	0.15	6.40	4.37	20.33
Charge for the year	-	16.96	0.28	11.51	7.86	36.61
Disposals (Note 3)	-	(26.38)	(0.43)	(17.91)	(12.23)	(56.95)
Balance as at 31 March 2019	-	-	-	-	-	-
Carrying amounts:						
As at 31 March 2018	410.05	2,233.24	5.63	236.70	248.95	3,134.57
As at 31 March 2019	-	-	-	-	-	-

Notes:

1. During the previous year, due to change in the intention of the Company to lease the portion of retail and commercial asset comprising of a saleable area of 254,221 square feet, previously held for sale, was reclassified from Inventory to Investment property.
2. Includes borrowing cost amounting to Nil (31 March 2018: INR 747.33 million).
3. During the year the Company has disposed a part of its business operations on a going concern basis and has transferred all the assets and liabilities pertaining to the business operations for a consideration of INR 4,681.93 million.

4 (a) A. Information regarding income and expenditure of Investment property
Amount in INR million

Particulars	31 March 2019 (refer note below)	31 March 2018
Rental income derived from investment properties	-	-
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	(19.50)	(19.50)
Profit / (loss) arising from investment properties before depreciation and indirect expenses	(19.50)	(19.50)
Less: Depreciation	(36.61)	(20.33)
Profit / (loss) arising from investment properties before indirect expenses	(56.11)	(39.83)

4 (a) B. Determination of fair values

Description of valuation techniques used and key inputs to valuation on investment properties:

The fair value of investment property has been determined by external independent professional property valuers having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

The external independent professional property valuers, CBRE South Asia Private Limited, have considered discounted cash flow valuation technique in arriving at the fair value as at the reporting date. This valuation method involves certain estimates. The management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The discounted cash flow methodology is based upon an estimation of future results. The methodology begins with a set of assumptions as to the projected income and expenses of the property. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions. The result is the best estimate of value CBRE can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. This methodology uses market derived assumptions, including discount rates, obtained from analysed transactions.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/(lower) fair value of the properties. Significant increases/(decreases) in long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/(higher) fair value.

Para 97 of Ind AS 113 Fair value measurements states that for each class of assets and liabilities not measured at fair value in the balance sheet but for which the fair value is disclosed, an entity shall disclose the information required by paragraph 93(b), (d) and (i). However, the said para states that an entity is not required to provide the quantitative disclosures about significant unobservable inputs used in fair value measurements categorised within Level 3 of the fair value hierarchy required by paragraph 93(d). Therefore, no disclosure in relation to sensitivity analysis of significant unobservable inputs used in fair value measurements of Investment property and Investment property under development (including capital advances) has been provided in these financial statements.

Reconciliation of fair value (refer note below)

Particulars	Amount in INR million
Fair value as at 31 March 2018	5,904.00

Note : During the year the Company has disposed a part of its business operations on a going concern basis and has transferred all the assets including the Investment property and respective liabilities pertaining to the business operations for a consideration of INR 4,681.93 million.

4 (b) Property, plant and equipment (PPE)

Reconciliation of carrying amount for the year ended 31 March 2019 and 31 March 2018

Amount in INR million

Tangible, Owned										
Particulars	Freehold Land	Building	Office equipments	Electrical equipments	Plant and machinery	Hotel operating equipments	Computer	Furniture and fixtures	Vehicles	Total
Gross carrying value										
Balance as at 1 April 2017	708.49	12.60	0.18	-	-	-	-	-	3.96	725.23
Additions	-	-	-	-	-	-	-	-	2.52	2.52
Disposals	-	(12.60)	-	-	-	-	-	-	(3.96)	(16.56)
Balance as at 31 March 2018	708.49	-	0.18	-	-	-	-	-	2.52	711.19
Balance as at 1 April 2018	708.49	-	0.18	-	-	-	-	-	2.52	711.19
Additions	-	6,045.05	18.66	782.70	815.63	853.17	0.57	341.66	48.59	8,906.03
Disposals	(708.49)	(6,045.05)	(18.66)	(782.70)	(815.63)	(853.17)	(0.57)	(341.66)	(51.11)	(9,617.04)
Balance as at 31 March 2019	-	-	0.18	-	-	-	-	-	-	0.18
Accumulated depreciation										
Balance as at 1 April 2017	-	1.44	0.03	-	-	-	-	-	0.33	1.80
Charge for the year	-	0.71	0.04	-	-	-	-	-	0.10	0.84
Disposals	-	(2.15)	-	-	-	-	-	-	(0.40)	(2.55)
Provision for impairment (refer note 2)	127.74	-	-	-	-	-	-	-	-	127.74
Balance as at 31 March 2018	127.74	(0)	0.07	-	-	-	-	-	0.03	127.83
Balance as at 1 April 2018	127.74	(0.00)	0.07	-	-	-	-	-	0.03	127.83
Charge for the year	-	-	0.04	-	-	-	-	-	-	0.04
Reversal of provision for impairment	(127.74)	-	-	-	-	-	-	-	-	(127.74)
Transfers	-	-	-	-	-	-	-	-	(0.03)	(0.03)
Balance as at 31 March 2019	-	(0.00)	0.10	-	-	-	-	-	-	0.10
Carrying amounts:										
As at 31 March 2018	580.75	0.00	0.11	-	-	-	-	-	2.49	583.35
As at 31 March 2019	-	0.00	0.08	-	-	-	-	-	-	0.08

4 (c) Capital work-in-progress

Amount in INR million

Particulars	Amount
Cost or deemed cost:	
Balance as at 1 April 2017	3,432.22
Additions	2,488.59
Less : Provision for impairment (Note 2)	(1,067.55)
Balance as at 31 March 2018	4,853.26
Balance as at 1 April 2018	4,853.26
Additions	2,936.63
Add : Reversal of impairment provision	1,067.55
Less : Capitalized	(8,857.44)
Balance as at 31 March 2019	-
Carrying amounts:	
<i>As at 31 March 2018</i>	4,853.26
<i>As at 31 March 2019</i>	-

Notes:

1. Amounts capitalised during the year include borrowing cost amounting to 31 March 2019 : INR 1,942.26 million (31 March 2018: INR 1,462.96 million)
2. The entire capital work in progress as on 31 March 2018 comprised of cost of building, electrical equipments, plant and machinery, office equipments and furniture and fixtures which are pertaining to the Hotel operations of the Company. During the previous year, the management has estimated the recoverable amount of the CGU based on a valuation obtained from a third party valuer. The valuation was done in accordance with discounted cash flow method. As a result of the valuation, an impairment loss of INR 1,195.29 million was recognised in the statement of profit and loss for the CGU. The recoverable amount of INR 5,434.00 million as at 31 March 2018 was based on value in use and was determined at the level of the CGU. In determining value in use for the CGU, the assumptions used were as follows:

Assumption	Approach used to determining values
Discount rate	12.63%

3. During the year the Company has disposed a part of its business operations on a going concern basis and has transferred all the assets and liabilities pertaining to the business operations for a consideration of INR 4,681.93 million.

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5 Other Non-current financial assets

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Fixed deposit accounts with banks (refer note A below)	558.55	421.13
Interest accrued on bank deposits	7.50	6.00
Security deposits	2.08	3.30
Less : Provision for doubtful advances	(2.08)	-
	566.05	430.43
Note A:		
Held as lien against Margin money for bank guarantees	558.55	421.13

6 Deferred tax assets, net

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax liabilities		
Excess of depreciation allowable under Income tax laws over depreciation provided for in the books	-	32.11
On account of IND AS adjustments	51.11	-
Deferred tax assets		
Tax losses (restricted to the deemed tax liability)	(51.11)	(32.11)
	-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not currently probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Carry forward business loss and unabsorbed depreciation	1,126.51	1,269.20
	1,126.51	1,269.20

7 Other non-current assets

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Capital advances	-	472.57
Balances with government authorities	-	218.64
Tax deducted at source	18.63	19.43
	18.63	710.64

8 Inventories

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Property under development (refer notes below)	6,653.76	4,168.74
	6,653.76	4,168.74

a) Includes borrowing cost amounting to INR 1,780.75 million (31 March 2018: INR 1,137.95 million)

b) During the previous year, due to change in the intention of the Company to lease the portion of retail and commercial asset comprising of an saleable area of 254,221 square feet, previously which was held for sale was reclassified from Inventory to Investment property amounting to INR 3,134.57 million.

9 Loans

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
<i>Unsecured</i>		
Loans to related parties (refer note below)	2,304.93	-
	2,304.93	-

Note

Repayment and Interest terms

INR 2,304.93 million (31 March 2018 : Nil) was advanced to Embassy Inn Private Limited, a related party.

The loan is repayable in full on demand along with interest if any.

The loan carries an interest rate of 12% p.a. on the principal value, interest is accrued annually.

10 Trade receivables

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
<i>Unsecured</i>		
Considered good	24.00	196.74
	24.00	196.74

Of the above, there are no trade receivables from related parties.

11 Cash and cash equivalents

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- in current accounts	104.50	74.83
- in escrow accounts	26.54	2.77
- in fixed deposit accounts with banks (original maturity less than 3 months)	6.56	10.00
Cash on hand	0.02	-
	137.62	87.60

12 Bank balances other than cash and cash equivalents

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- in fixed deposit accounts with banks (original maturity more than 3 months and less than 12 months)	219.66	15.00
	219.66	15.00

13 Other current financial assets

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Interest accrued on bank deposits	2.56	1.51
Interest accrued on Loans	1.02	-
Other receivables	9.60	4.66
Less : Provision for other receivables	(4.16)	-
	9.02	6.17

14 Other current assets

Amount in INR million		
Particulars	As at 31 March 2019	As at 31 March 2018
Advance to suppliers	627.73	160.31
Less : Provision for advances	(54.63)	-
	573.10	160.31
Balances with government authorities	118.20	-
Advance for purchase of Transferrable Development Rights (TDRs)	810.00	-
Prepaid expenses	-	1.84
	1,501.30	162.15

15 Share capital

(a) Particulars	Amount in INR million	
	As at 31 March 2019	As at 31 March 2018
Authorised		
140,000,000 (Previous year : 140,000,000) Equity shares of Rs 10 each	1,400.00	1,400.00
10,000,000 (Previous year : 10,000,000) Redeemable Preference shares of Rs 10 each	100.00	100.00
	1,500.00	1,500.00
Issued, subscribed and fully paid up		
132,727,280 (Previous year : 132,727,280) Class A Equity shares of Rs 10 each fully paid	1,327.27	1,327.27
	1,327.27	1,327.27

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Amount in INR million (except share number data)

	As at 31 March 2019		As at 31 March 2018	
	No of shares	Amount	No of shares	Amount
Number of shares at the beginning of the year	132,727,280	1,327.27	132,727,280	1,327.27
Add: Shares issued/converted during the year	-	-	-	-
Number of shares outstanding at the end of the year	132,727,280	1,327.27	132,727,280	1,327.27

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2019		As at 31 March 2018	
	% of holding	No of shares	% of holding	No of shares
Class A Equity shares:				
WWD Pearl Limited, Mauritius	55.00%	73,000,000	55.00%	73,000,000
Embassy Inn Private Limited	45.00%	59,727,280	45.00%	59,727,280

(d) Rights, preferences and restrictions attached to shares

Equity shares

- (i) Class A share represents ordinary equity share of face value of Rs 10 each in the Company.
- Each Class A equity shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
 - Each Class C equity shareholder is not eligible for voting rights
 - All distributions made by the Company to its security holders will be made pro-rata in accordance with the security holders' percentage interest in the Company on fully dilutive basis and no party shall be entitled to seniority over the other in such payments.
 - The shares held by Embassy Inn Private Limited to the extent of 10.37% (31 March 2018: 10.37%) of the total capital is pledged to Oriental Bank of Commerce and Indian Overseas Bank as a security for loans availed by the Company. During the year the Company has transferred the borrowing as part of business operations on a Going concern basis along with other assets and liabilities [Refer Note 18A]
- (ii) The equity shareholders WWD Pearl Limited and Embassy Inn Private Limited known as "promoters" along with the holders of Compulsorily Convertible Debentures ("CCDs") known as "investors" together called as "security holders" have entered into an investment and shareholders agreement (ISHA) dated 6 October 2014:
- The salient rights, preferences and restrictions of the equity shareholders as per ISHA include:**
- The equity shares and CCDs held by the stakeholders jointly known as "securities" are not transferable for one year from the date of the ISHA agreement dated 6 October 2014. Subsequent to the lock-in date, the securities are transferable with the right of first offer to the other stakeholder through execution of deed of adherence.
 - Promoters and investors have the power to appoint two directors each to the Board of Directors of the Company. The quorum for any meeting of the Board shall be the presence, in person, of such number of directors required under the Articles of Association, subject to the presence of at least one director each as nominated by the promoters and investors.
 - Promoters have right to nominate the chairman of the meetings, however the chairman shall not have a casting vote.
- (iii) As per the ISHA agreement, the Company shall convert the series A, B and D CCDs to class A shares. On conversion, the Company will issue class A shares by increasing the authorised capital. The Company shall convert the series C, E CCDs and Series F CCDs to class C shares. On conversion, the Company will issue class C shares by increasing the authorised capital. Class C share shall not carry any voting rights.

(e) Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares for consideration other than cash for the period of five years immediately preceding the balance sheet date.

16 Equity component of Compulsorily convertible debentures*Amount in INR million*

Particulars	As at	As at
	31 March 2019	31 March 2018
Equity component of 352,144,447 (Previous year : 352,144,447) compulsorily convertible debentures of Rs 10 each fully paid up (refer note 36)	3,474.64	3,474.64
	3,474.64	3,474.64

Particulars of convertible debentures held by entities who exercise joint control:**(i) Series A - compulsorily convertible debentures***Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2019		As at 31 March 2018	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP VII SG City View Holding (NQ) Pte Ltd	15,040,560	150.41	15,040,560	150.41
b) BREP Asia SBS City View Holding (NQ) Ltd	285,742	2.86	285,742	2.86
c) BREP VII SBS City View Holding (NQ) Ltd	82,040	0.82	82,040	0.82
d) BREP Asia SG City View Holding (NQ) Pte Ltd	60,204,658	602.05	60,204,658	602.05
e) Embassy Inn Private Limited	59,387,000	593.87	59,387,000	593.87
	135,000,000	1,350.00	135,000,000	1,350.00

(ii) Series B - compulsorily convertible debentures*Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2019		As at 31 March 2018	
	No. of debentures	Amount	No. of debentures	Amount
a) Embassy Inn Private Limited	52,570,000	525.70	52,570,000	525.70
	52,570,000	525.70	52,570,000	525.70

Terms of the Series A and Series B compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2018 : 0.50% p.a)
Conversion terms	a) On the expiry of 20 years from the closing date i.e., 18 November 2007 b) 1 Class A equity shares to be issued for 10 Series A and Series B CCDs on mandatory and compulsory conversion [Class A Equity shares: CCDs - 1:10]
Conversion date	17 November 2027

(iii) Series C compulsorily convertible debentures*Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2019		As at 31 March 2018	
	No. of debentures	Amount	No. of debentures	Amount
a) Embassy Inn Private Limited	30,090,000	300.90	30,090,000	300.90
	30,090,000	300.90	30,090,000	300.90

Terms of the Series C compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2018 : 0.50% p.a)
Conversion terms	a) On the expiry of 20 years from the closing date i.e., 18 November 2007 b) 1 Class C equity shares to be issued for 1 Series C CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	17 November 2027

(iv) Series D compulsorily convertible debentures*Amount in INR million (except debenture data)*

Name of debenture holders	As at 31 March 2019		As at 31 March 2018	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	48,747,304	487.47	48,747,304	487.47
b) BREP VII SG City View Holding (NQ) Pte Ltd	12,178,239	121.78	12,178,239	121.78
c) BREP Asia SBS City View Holding (NQ) Ltd	231,363	2.31	231,363	2.31
d) BREP VII SBS City View Holding (NQ) Ltd	66,427	0.66	66,427	0.66
	61,223,333	612.22	61,223,333	612.22

Terms of the Series D compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2018 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 22 December 2014 b) 1 Class A equity shares to be issued for 10 Series D CCDs on mandatory and compulsory conversion [Class A Equity shares: CCDs - 1:10]
Conversion date	21 December 2023

(v) Series E compulsorily convertible debentures*Amount in INR millions(except debenture data)*

Name of debenture holders	As at 31 March 2019		As at 31 March 2018	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	29,282,354	292.82	29,282,354	292.82
b) BREP VII SG City View Holding (NQ) Pte Ltd	7,315,431	73.15	7,315,431	73.15
c) BREP Asia SBS City View Holding (NQ) Ltd	138,979	1.39	138,979	1.39
d) BREP VII SBS City View Holding (NQ) Ltd	39,903	0.40	39,903	0.40
	36,776,667	367.76	36,776,667	367.76

Terms of the Series E compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2018 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 12 November 2014 (No. of debentures - 24,500,000) and 27 November 2014 (No. of debentures - 12,276,667) b) 1 Class C equity shares to be issued for 1 Series E CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	11 November 2023 and 26 November 2023

(vi) Series F compulsorily convertible debentures*Amount in INR millions(except debenture data)*

Name of debenture holders	As at 31 March 2019		As at 31 March 2018	
	No. of debentures	Amount	No. of debentures	Amount
a) BREP Asia SG City View Holding (NQ) Pte Ltd	15,978,374	159.78	15,978,374	159.78
b) BREP VII SG City View Holding (NQ) Pte Ltd	3,991,778	39.92	3,991,778	39.92
c) BREP Asia SBS City View Holding (NQ) Ltd	74,547	0.75	74,547	0.75
d) BREP VII SBS City View Holding (NQ) Ltd	21,747	0.22	21,747	0.22
e) Embassy Inn Private Limited	16,418,001	164.18	16,418,001	164.18
	36,484,447	364.85	36,484,447	364.85

Terms of the Series F compulsorily convertible debentures

Interest rate	0.50% p.a (31 March 2018 : 0.50% p.a)
Conversion terms	a) On the expiry of 9 years from the date of allotment i.e., 26 October 2016 b) 1 Class C equity shares to be issued for 1 Series F CCDs on mandatory and compulsory conversion [Class C Equity shares : CCDs - 1:1]
Conversion date	25 October 2025

17 Other equity

Particulars	Amount in INR million	
	As at 31 March 2019	As at 31 March 2018
Retained earnings		
At the commencement of the year	(3,156.55)	(1,737.00)
Adjustment pursuant to adoption of Ind AS 115	(356.03)	-
Add: profit/ (loss) for the year	1,134.32	(1,419.55)
At the end of the year	(2,378.26)	(3,156.55)

Nature and purpose of other reserves:

Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit/ (loss) after tax is transferred from the statement of profit and loss to the retained earnings account.

The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from sale of residential apartments. The Company has applied the modified retrospective approach to contracts for sale of apartments that were not completed as of 1 April 2018 and has given impact of transition to Ind AS 115 by adjusting Rs 356.03 million in the opening balance of retained earnings as on 1 April 2018. Accordingly the comparatives have not been restated and hence not comparable with previous period figures. Due to the application of Ind AS 115 for the year ended 31 March 2019, revenue from sale of apartments is lower by Rs 299.45 million and Net profit after tax (including impact of IND AS 115) is higher by Rs 207.17 million, vis-a-vis the amounts if replaced standards were applicable.

18 Borrowings

Particulars	Amount in INR million	
	As at 31 March 2019	As at 31 March 2018
Secured:		
Term loans from banks		
- Indian Overseas Bank (refer note A(i))	14.38	5,188.15
- Oriental Bank of Commerce (refer note A(ii))	7.41	2,566.73
- HSBC Ltd (refer note A(iii))	15.44	-
- PNB Housing Finance Limited (refer note A(iv))	6,188.65	-
- ICICI Bank Limited (refer note A(v))	109.04	-
Vehicle loans		
- HDFC Bank Limited (refer note B)	-	2.43
Unsecured:		
Liability component of Compulsory convertible debentures (refer note 16)	75.53	68.84
Loans from related parties		
Embassy Inn Private Limited (refer note C below and note 36)	-	2,050.00
	6,410.45	9,876.15

A) i) **Term loans (including current maturities of long-term debt) from Indian Overseas Bank having an outstanding balance amounting to INR 14.38 million (31 March 2018 : INR 5,505.21 million) are secured by:**

1. First ranking pari passu:

- mortgage over land measuring 6.47 acres situated at First C Main Hebbal Mill, Ganganagar, Bellary road, Bangalore
- includes charge by way of equitable mortgage on buildings including hotel, residences, commercial, rental builtup space
- charge on receivables on sold and unsold units
- charge by way of equitable mortgage on hotel constructed space and corresponding undivided share of land
- all bank accounts related to company the collection account, expenditure account, debt service reserve account
- movable fixed assets and current assets both present and future of four seasons hotel

b. Repayment terms and interest terms

The term loan carries interest at benchmark 1 year MCLR of the bank + spread of 1.10%

Term Loan I (Facility of INR 2,300 millions) shall be repaid in 32 structured quarterly installments starting from September 2019

Term Loan II (Facility of INR 3,700 millions) shall be repaid in 16 structured quarterly installments starting from September 2018

The Term Loan II has been preclosed during the year

The Term Loan I has been transferred as part of disposal of business operations on a going concern basis.

ii) Term loans (including current maturities of long-term debt) from Oriental Bank of Commerce having an outstanding balance amounting to INR 7.41 million (31 March 2018 : INR 2,726.10 million) are secured by:

1. First ranking pari passu:

- a) mortgage over land measuring 6.47 acres situated at First C Main Hebbal Mill, Ganganagar, Bellary road, Bangalore
- b) includes charge by way of equitable mortgage on buildings including hotel, residences, commercial, rental builtup space
- c) charge on receivables on sold and unsold units
- d) charge by way of equitable mortgage on hotel constructed space and corresponding undivided share of land
- e) all bank accounts related to company the collection account, expenditure account, debt service reserve account
- f) movable fixed assets and current assets both present and future of four seasons hotel

b. Repayment terms and interest terms

The term loan carries interest at benchmark 1 year MCLR of the bank + spread of 2%

Penal interest shall be chargeable at 2% over and above normal rate for any irregularity due to any reason whatsoever

Term Loan I (Facility of INR 1,150 millions) shall be repaid in 32 structured quarterly installments starting from September 2019

Term Loan II (Facility of INR 1,850 millions) shall be repaid in 16 structured quarterly installments starting from September 2018

The Term Loan II has been preclosed during the year

The Term Loan I has been transferred as part of disposal of business operations on a going concern basis.

iii) Term loans from HSBC Ltd having an outstanding balance amounting to INR 15.44 million (31 March 2018 : Nil)

- a) The amount sanctioned under the Facility shall be INR 2,500 million
- b) The purpose of the facility is to refinance other Embassy Group borrowings and interest there on
- c) The Facility shall carry an interest rate which is mutually agreed with reference to Bank MCLR and the same shall be paid monthly in arrears
- d) The Facility shall be fully repaid after 2 years

The Term Loan has been transferred as part of disposal of business operations on a going concern basis.

iv) Construction finance (including current maturities of long-term debt) from PNB Housing Finance Ltd having an outstanding balance amounting to INR 6,188.65 million (31 March 2018 : Nil) are secured by:

First and exclusive charge by way of registered MOE of unsold residential units on south and north tower along with undivided interest on project land measuring 281,770 sft and structure thereon

Hypothecation and escrow of total receivables of INR 15,886.80 million (Sold and unsold) million of the project

Letter of comfort from Embassy Property Development Private Limited

- a) The amount sanctioned under the Facility shall be INR 7,000 million
- b) The purpose of the Facility is for the construction and development of the project - residential units of south and north towers
- c) The Facility shall carry a floating rate of interest currently 11.00% linked with PNBHFR
- d) The Facility shall be repaid in 42 monthly installments after the moratorium period of 18 months

v) Term loans from ICICI Bank Ltd having an outstanding balance amounting to INR 109.04 million (31 March 2018 : Nil) are secured by:

First and exclusive charge by way of equitable mortgage on commercial and retail portion measuring 250,094 sft and structure thereon.

First exclusive charge by way of hypothecation on future scheduled receivables of commercial and retail portion.

- a) The amount sanctioned under the Facility shall be INR 3,750 million and a non fund based sub-limit of INR 1,000 million
- b) The purpose of the Facility is for repayment of existing loans from Indian Overseas Bank, Oriental Bank of Commerce and Embassy Inn Pvt Ltd
- c) The Facility shall carry a floating rate of interest calculated at 1yr MCLR + spread which is currently 8.65% + 1.85% respectively
- d) The Facility shall be repaid in 144 monthly installments to the extent of INR 1,753.2 million starting from September 2019 and balance INR 1,996.80 million on August 15, 2031

The Term Loan has been transferred as part of disposal of business operations on a Going concern basis.

Note : The above amounts include Nil (31 March 2018 : INR 416.25 million) of loan balance disclosed as current maturities of long term debt under Note 22.

B) Vehicle Loan from HDFC Bank Limited amounting to INR Nil (31 March 2018 : INR 2.43 million)

a. Security terms

- i) Post dated cheque of Indian Overseas Bank.

b. Repayment terms and interest terms

- i) Term loan shall be repaid in 36 structured monthly installments starting from April 2018.
- ii) The loan carries an interest rate of 8.5% p.a.

During the year the Company had availed additional Vehicle loans of INR 33.32 million

The Vehicle Loan along with the corresponding assets has been transferred as part of disposal of business operations on a Going concern basis.

C) Loan from related parties

INR Nil (31 March 2018 : INR 750.00 millions) from Embassy Inn Private Limited

Repayment and Interest terms

- (i) The loan shall be repaid on demand
- (ii) The facility shall carry a interest of 9% (18.70% pa till 31 March 2018) on the principal value, interest shall be accrued on quarterly basis and to be paid after the company starts generating surplus cash flows from its sales and collection.

Note : The above amounts include INR Nil (31 March 2018 : INR 750 million) of loan balance disclosed as current maturities of long term debt under Note 22.

D) Inter-corporate deposits terms

INR Nil (31 March 2018 : INR 2,050 million) from Embassy Inn Private Limited

Repayment and Interest terms

- (i) The loan is repayable at the end of 60 months from the date of disbursement
- (ii) The facility shall carry a interest of 9% (12% pa till 31 March 2018) on the principal value, to be paid after the company starts generating surplus cash flows from its sales and collection.

Note : The above Loan and Inter-corporate deposits have been fully repaid during the year

19 Other non-current financial liabilities

Particulars	Amount in INR million	
	As at	As at
	31 March 2019	31 March 2018
Interest accrued but not due		
- on inter corporate deposits from a related party	-	155.56
Retention dues	104.89	93.80
	104.89	249.36

20 Other non-current liabilities

Particulars	As at	As at
	31 March 2019	31 March 2018
Provision for compensated absences (Refer note below)	-	-
Provision for Gratuity (Refer note below)	-	-
	-	-

Note : The provision towards compensated absences and gratuity amounting to INR 0.79 million and INR 0.40 million respectively has been transferred as part of disposal of business operations on a going concern basis.

21 Trade payables

Particulars	Amount in INR million	
	As at	As at
	31 March 2019	31 March 2018
Trade payables		
- to micro and small enterprises	-	-
- to related parties (refer note 36)	26.40	45.54
- to others	68.69	116.05
	95.09	161.59

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act is not expected to be material. The Company does not have any dues to micro and small enterprises as at 31 March 2019 and 31 March 2018.

Particulars	As at	As at
	31 March 2019	31 March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal & (ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest & (ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year.

22 Other current financial liabilities

Particulars	Amount in INR million	
	As at 31 March 2019	As at 31 March 2018
Current maturity of long term debt		
- from banks (refer note 18(A))	-	416.25
- from related parties (refer note 18(C))	-	750.00
Interest accrued but not due		
- on term loans	30.48	-
- on inter corporate deposits	-	126.23
Accrued salaries and benefits	-	0.45
Security deposits	-	0.09
Retention dues	119.24	104.59
Other payables		
- for purchase of fixed assets (refer note 36)	555.95	430.32
- for expenses	255.66	87.58
- other payables	39.53	39.53
	1,000.86	1,955.04

23 Other current liabilities

Particulars	Amount in INR million	
	As at 31 March 2019	As at 31 March 2018
Advance received for sale of properties	1,374.89	401.20
Statutory dues	25.22	59.95
	1,400.11	461.15

24 Revenue from operations*Amount in INR million*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Proceeds from sale of land and properties under construction (refer note 17)	-	603.40
	-	603.40

25 Other income*Amount in INR million*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Refund of arbitration fees	-	17.07
Interest on income tax refund	0.59	-
Foreign exchange gain (net)	2.88	-
Miscellaneous income	1.02	1.73
	4.49	18.80

26 Employee benefit expenses*Amount in INR million*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	4.65	-
Contribution to provident and other funds	-	-
Staff welfare expenses	1.17	-
	5.82	-

27 Finance costs*Amount in INR million*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Finance cost	30.70	43.00
	30.70	43.00

28 Depreciation and amortization expense*Amount in INR million*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation on Property, plant and equipment (refer note 4(b))	0.04	0.04
	0.04	0.04

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29 Other expenses*Amount in INR million*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Selling and marketing expenses	16.02	96.17
Rates and taxes	34.93	1.00
Legal and professional fees	19.93	11.00
Maintenance expense	22.21	7.36
Power and fuel	4.96	-
Foreign exchange loss (net)	-	7.39
Insurance	2.91	1.80
Provision for doubtful advances	6.25	-
Loss on sale of property, plant and equipments	-	2.23
Travelling and conveyance	0.62	3.64
Bank charges	6.03	2.83
Miscellaneous expenses	2.49	2.89
	116.35	136.30

30 Auditor's remuneration (included in legal and professional charges and excludes goods and service tax)*Amount in INR million*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor		
- for statutory audit	3.00	3.20
Reimbursement of expenses	0.30	0.32
	3.30	3.52

31 Discontinued operation

During the year the Company has disposed a part of its business operations on a going concern basis and has transferred all the assets and liabilities pertaining to the business operations for a consideration of INR 4,681.93 million. The transaction has been recognised separately under discontinued operation in the statement of profit and loss. The comparative statement of profit and loss has been presented to show discontinued operations separately from continuing operations.

Amount in INR million

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Analysis of profit from discontinued operation		
Income		
Other income	2,003.62	0.22
Total Income	2,003.62	0.22
Expenses		
Cost of goods sold	7.24	-
Employee benefits expense	135.38	0.93
Finance costs	304.95	273.19
Depreciation	36.90	21.15
Other expenses	160.43	28.86
Provision for impairment	-	1,195.29
Total expenses	644.90	1,519.42
Profit / (Loss) before tax	1,358.72	(1,519.20)
Tax expense	-	-
Profit / (Loss) after tax	1,358.72	(1,519.20)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
b) Net cash flows attributable to the discontinued operations		
Net cash (outflows) / inflows from operating activities	(308.88)	(108.32)
Net cash used in investing activities	2,295.77	(2,279.04)
Net cash (outflows) / inflows from financing activities	(2,421.76)	3,503.64
Net cash outflows	(434.87)	1,116.28

32 Contingent liabilities and commitments*Amount in INR million*

Particulars	As at 31 March 2019	As at 31 March 2018
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	1,668.98
Other commitments	1,410.44	1,365.53
Contingent liabilities		
Claims against the Company not acknowledged as debt:		
- Service tax matters under dispute [Note (i)]	57.32	57.32
- Income tax [Note (ii)]	10.49	-
- Other tax matters [Note (iii)]	-	-

Notes:

- (i) The Company received a demand notice from the Service Tax authorities relating to recovery of CENVAT credit that the Company has availed during the period October 2007 to September 2010. The Company is disputing the demand and has appealed against the order with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Bangalore.
- (ii) The Company has received an Income tax demand of INR 10.49 millions for AY 2016-17 due to disallowance of business loss on grounds of non commencement of business. The Company has filed an appeal against the same and is pending for hearing with CIT Appeals, Bangalore
- (iii) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act (the Act), 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the date as required by law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

The income tax assessment for the financial year 2008-09 and 2009-10 has been completed and a draft assessment order has been received, which contains a transfer pricing adjustment of INR 212.63 millions and INR 6.89 millions respectively for the years, being disallowance of interest on CCDs capitalised in the books. However, there is no tax demand as per the order. The Company has filed an appeal u/s 246A(1)(a) of the Act as on 14 May 2013. As per the appeal the company has contested the disallowance made in respect of the interest capitalisation on Compulsory convertible debentures. The order with respect to the appeal is yet pending.

33 Earnings/ (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the number of equity shares outstanding during the year.

(i) Basic EPS

Reconciliation of earnings used in calculating earnings/ (loss) per share:		<i>Amount in INR million (except per share data)</i>	
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018	
Profits after tax			
From continuing operations	(224.39)	99.65	
From discontinuing operations	1,358.72	(1,519.20)	
Net earnings/ (loss) for basic earnings per share	1,134.32	(1,419.55)	
Reconciliation of number of shares used in computing earnings per share			
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018	
Number of equity shares at the beginning of the year	132,727,280	132,727,280	
Add : Weighted number of equity shares issued during the year	-	-	
Number of equity shares for basic EPS	132,727,280	132,727,280	
Earnings/ (loss) per share:			
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018	
From continuing operations	(1.69)	0.75	
From discontinuing operations	10.24	(11.45)	
From continuing and discontinued operations	8.55	(10.70)	

(ii) Diluted EPS

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the compulsorily convertible debentures) by the number of equity shares outstanding during the year plus the number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Reconciliation of earnings used in calculating earnings/ (loss) per share:		<i>Amount in INR million (except per share data)</i>	
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018	
Profits after tax from continuing operations	(224.39)	99.65	
Profit after tax from discontinuing operations	1,358.72	(1,519.20)	
Net earnings/ (loss) for diluted earnings per share	1,134.32	(1,419.55)	

Reconciliation of number of shares used in computing earnings per share

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Number of equity shares at the beginning of the year	132,727,280	132,727,280
Add : Effect of conversion of convertible debentures	128,230,447	128,230,447
Number of equity shares for diluted EPS	260,957,727	260,957,727

Earnings/ (loss) per share:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
From continuing operations	(1.69)	0.38
From discontinuing operations	5.21	(11.45)
From continuing and discontinued operations	4.35	(10.70)

34 Segment information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "office space, retail, hotel and residential construction and related interiors"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considering necessary. The Company operates only in India. Hence no disclosure for geographical segment is considered necessary.

Information about major customers

The revenue from the below customers who constitute more than 10 percent of the Company's total revenue as disclosed below.

		<i>Amount in INR million</i>	
Customer	For the year ended 31 March 2019	For the year ended 31 March 2018	
Customer 1	-	308.16	
Total	-	308.16	

Note : Refer note 17

35 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Amount in INR million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit / (Loss) before tax	1,134.32	(1,419.55)
Tax at the Indian tax rate of 29.12% (31 March 2018: 25.75%)	330.31	(365.53)
Effect of:		
Differential tax on account of temporary differences	(169.85)	-
Tax impact of slump sale considered in capital gain	(132.58)	-
Impact of bought forward tax losses set-off	(41.55)	-
Others	13.66	-
Deferred tax not recognized on business losses	-	365.53
At the effective income tax rate	-	-
Income tax expense reported in the statement of profit and loss	-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	March 31, 2019	March 31, 2018
Carry forward business loss and unabsorbed depreciation	1,126.51	1,269.20
	1,126.51	1,269.20

Notes to the financial statements

36 Related parties disclosures

(i) Name of related parties and description of relationship:

A. Enterprises and individuals who exercise joint control

Embassy Inn Private Limited, India
Embassy Property Developments Private Limited, India
WWD Pearl Limited, Mauritius
BREP Asia SG City View Holding (NQ) Pte. Limited , Singapore
BREP VII SG City View Holding (NQ) Pte Limited, Singapore
BREP Asia SBS City View Holding (NQ) Limited, Cayman
BREP VII SBS City View Holding (NQ) Limited, Cayman

B. Other related parties with whom transactions have taken place during the year

Key management personnel (KMP)

Vijayakumar Dharmalingam
Gopinath Ambadithody
Asheesh Mohta
Siddharth Nawal

Fellow subsidiaries of enterprise who exercise joint control

Embassy Services Private Limited, India

(ii) The following is a summary of related party transactions

Particulars	Amount in INR million	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on Compulsorily Convertible Debentures (CCDs)		
BREP VII SG City View Holding (NQ) Pte Ltd	1.00	0.92
BREP Asia SBS City View Holding (NQ) Ltd	0.02	0.02
BREP VII SBS City View Holding (NQ) Ltd	0.01	0.00
BREP Asia SG City View Holding (NQ) Pte Ltd	4.00	3.67
Embassy Inn Private Limited	3.92	3.58
(Repayment) / Availment of loan from related party		
Embassy Inn Private Limited	(2,800.00)	1,020.00
Interest on loan from related party		
Embassy Inn Private Limited	269.28	363.04
Loan given / (repayment received) to related parties		
Embassy Inn Private Limited	2,304.93	-
Interest on loan to related party		
Embassy Inn Private Limited	1.02	-
Maintenance and Facility management charges		
Embassy Services Private Limited	74.57	32.22
Advance for purchase of Transferable development rights (TDRs)		
Embassy Property Developments Private Limited	810.00	-
Business consultancy services		
Embassy Property Developments Private Limited	187.85	193.59

Notes to the financial statements

36 Related parties disclosures

(iii) Balances receivable from and payable to related parties:

Particulars	Amount in INR million	
	As at 31 March 2019	As at 31 March 2018
Compulsory Convertible Debentures - Equity and Liability component		
BREP VII SG City View Holding (NQ) Pte Ltd	389.18	388.45
BREP Asia SBS City View Holding (NQ) Ltd	7.39	7.38
BREP VII SBS City View Holding (NQ) Ltd	2.12	2.12
BREP Asia SG City View Holding (NQ) Pte Ltd	1,557.83	1,554.91
Embassy Inn Private Limited	1,593.64	1,590.62
Loan from related party - Non-current		
Embassy Inn Private Limited	-	2,050.00
Loan from related party - Current		
Embassy Inn Private Limited	-	750.00
Loan to related party		
Embassy Inn Private Limited	2,304.93	-
Advance for purchase of TDRs		
Embassy Property Developments Private Limited	810.00	-
Interest accrued on Loan to related party		
Embassy Inn Private Limited	1.02	-
Interest accrued but not due on Compulsory Convertible Debentures		
BREP VII SG City View Holding (NQ) Pte Ltd	8.42	7.69
BREP Asia SBS City View Holding (NQ) Ltd	0.16	0.15
BREP VII SBS City View Holding (NQ) Ltd	0.05	0.04
BREP Asia SG City View Holding (NQ) Pte Ltd	33.70	30.78
Embassy Inn Private Limited	33.21	30.18
Interest accrued but not due on loan from related party (Current and non-current)		
Embassy Inn Private Limited	-	281.79
Other current liabilities		
Embassy Property Developments Private Limited	26.90	81.66
Embassy Services Private Limited	-	10.03
Trade payables		
Embassy Property Developments Private Limited	13.98	40.56
Embassy Services Private Limited	12.42	4.99

Note:

Transactions with related parties have been shown after giving effect to the impact of reclassifications into liability and equity and adjustments arising on account of effective interest rate method under Ind AS.

37 Financial instruments - Fair values and risk measurement

A. Accounting classification and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Amount in INR million			
	As at 31 March 2019		As at 31 March 2018	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortised cost:				
Other non-current financial assets	566.05	-	430.43	-
Loans	2,304.93	-	-	-
Trade receivables	24.00	-	196.74	-
Cash and cash equivalents	137.62	-	87.60	-
Other bank balances	219.66	-	15.00	-
Other current financial assets	9.02	-	6.17	-
Total	3,261.28	-	735.94	-
Financial liabilities measured at amortised cost:				
Borrowings	6,410.45	-	11,042.40	-
Interest accrued but not due				
- on term loans	30.48	-	-	-
- on inter corporate deposits from a related party	-	-	281.79	-
Retention dues	224.13	-	198.39	-
Trade payables	95.09	-	161.59	-
Other financial liabilities	851.13	-	557.97	-
Total	7,611.28	-	12,242.14	-

The management has assessed that fair values of borrowings, Interest accrues but not due, retention dues, loans, trade receivables cash and cash equivalents, bank balances, borrowings, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (refer note ii below)
- liquidity risk (refer note iii below)
- market risk (refer note iv below)

(i) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure.

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. The Company has credit policies in place and exposure to the credit risk is monitored on an ongoing basis.

The Company establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to specific tenants or counterparties.

The allowance account is used to provide for impairment losses. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Also the cash and cash equivalents are and the bank balances are mainly held with nationalised banks which have a very low risk of default.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Exposure to liquidity risk

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities. The amounts are gross and undiscounted contractual cash flow.

<i>Amount in INR million</i>						
As at 31 March 2019	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	6,410.45	6,410.45	-	1,776.27	4,566.98	67.20
Interest accrued but not due						
- on term loans	30.48	30.48	30.48	-	-	-
- on inter corporate deposits from a related party	-	-	-	-	-	-
Retention dues	224.13	224.13	119.24	104.89	-	-
Trade payables	95.09	95.09	95.09	-	-	-
Other financial liabilities	851.13	851.13	851.13	-	-	-
Total	7,611.28	7,611.28	1,095.94	1,881.16	4,566.98	67.20

<i>Amount in INR million</i>						
As at 31 March 2018	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	11,042.40	11,042.40	1,166.25	1,100.63	7,031.88	1,743.64
Interest accrued but not due						
- term loans	-	-	-	-	-	-
- on inter corporate deposits from a related party	281.79	281.79	126.23	-	155.56	-
Retention dues	198.39	198.39	104.59	93.80	-	-
Trade payables	161.59	161.59	161.59	-	-	-
Other financial liabilities	557.97	557.97	557.97	-	-	-
Total	12,242.14	12,242.14	2,116.63	1,194.43	7,187.44	1,743.64

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which procurements are denominated and the respective functional currencies of the Company. The functional currencies of the Company is primarily INR. The currencies in which these transactions are primarily denominated are Singapore dollars, Euro and UAE dirham, USD etc.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

Exposure to interest rate risk:

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	Amount in INR million	
	31 March 2019	31 March 2018
Fixed-rate instruments:		
Financial assets	3,089.71	446.13
Financial liabilities	-	2,800.00
	3,089.71	3,246.13
Variable-rate instruments:		
Financial assets	-	-
Financial liabilities	6,410.45	8,239.97
	6,410.45	8,239.97

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Amount in INR million			
	Profit or loss		Equity, net of tax	
	1% increase	1% decrease	Strengthening	Weakening
31-Mar-19				
Variable rate borrowings	(64.10)	64.10	(64.10)	64.10
31-Mar-18				
Variable rate borrowings	(82.40)	82.40	(82.40)	82.40

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38 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, compulsorily convertible debentures, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2019 and 31 March 2018 was as follows:

Particulars	Amount in INR million	
	As at 31 March 2019	As at 31 March 2018
Total liabilities	9,011.40	12,703.29
Less: Cash and cash equivalents	137.62	87.60
Adjusted net debt	8,873.78	12,615.70
Total equity	2,423.65	1,645.36
Adjusted equity	2,423.65	1,645.36
Adjusted net debt to equity ratio	3.66	7.67

39 Expenditure on corporate social responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2019.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W / W-100024

for and on behalf of the Board of Directors of

Embassy One Developers Private Limited

Sandeep Kukreja

Partner

Membership No. 220411

Rajesh Kaimal

Director

DIN : 03158687

D Vijay Kumar

Director

DIN: 00036772

Ritesh S

Company Secretary

Place: Bangalore

Date:

Place : Bangalore

Date :

Place : Bangalore

Date :

Place : Bangalore

Date :

Walker Chandio & Co LLP
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Bengaluru 560093
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Independent Auditor's Review Report on Unaudited Special Purpose Interim Financial Information of the Company for the period from 1 April 2021 to 31 December 2021

To
The Board of Directors
Embassy One Developers Private Limited

Introduction

1. We have reviewed the accompanying Unaudited Special Purpose Interim Financial Information of Embassy One Developers Private Limited ('the Company'), which comprise the Unaudited Special Purpose Interim Balance Sheet as at 31 December 2021, the Unaudited Special Purpose Interim Statement of Profit and Loss (including Other Comprehensive Income), the Unaudited Special Purpose Interim Statement of Cash Flows and the Unaudited Special Purpose Interim Statement of Changes in Equity for the nine-month period then ended, and other explanatory information (together hereinafter referred to as the "Special Purpose Interim Financial Information"). Management is responsible for the preparation and presentation of the Special Purpose Interim Financial Information in accordance with the basis of preparation in note 1 to the Special Purpose Interim Financial Information which has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Special Purpose Interim Financial Information based on our review.

Scope of Review

2. We conducted our review of the Special Purpose Interim Financial Information in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('Act'), and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Walker Chandiok & Co LLP

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Interim Financial Information is not prepared, in all material aspects, in accordance with the basis of preparation described in note 1 to this Special Purpose Interim Financial Information.

Emphasis of Matter – Basis of Preparation and Restriction on distribution or use

4. Without modifying our conclusion, we draw attention to note 1 to the accompanying Special Purpose Interim Financial Information, which describes its basis of preparation. This Special Purpose Interim Financial Information has been prepared by the Company's management, solely for the purpose of inclusion in the placement document of Indiabulls Real Estate Limited's proposed issue of equity shares through Qualified Institutional Placement, as further explained in the said note, to be submitted with the Securities Exchange Board of India ('SEBI'), the National Stock Exchange of India Limited and the BSE Limited (together, the 'Stock Exchanges') and the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi ('ROC') as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('SEBI ICDR Regulations') and Section 42 and 62 of the Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Act, 2014, as amended. This report is solely issued for aforementioned purpose and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other party to whom this report is shown or into whose hands it may come without our prior written consent.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Ashish Kedia

Partner

Membership No.: 215834

UDIN: 22215834AFJYCQ3081

Place: Bengaluru

Date: 22 March 2022

Embassy One Developers Private Limited
Unaudited Special Purpose Interim Balance Sheet as at 31 December 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

	As at 31 December 2021
ASSETS	
Non-current assets	
Financial assets	
- Other financial assets	76.34
Other non-current assets	38.43
Total non-current assets	114.77
Current assets	
Inventories	8,439.66
Financial assets	
- Cash and cash equivalents	27.75
- Bank balances other than cash and cash equivalents	3.75
- Other financial assets	105.04
Other current assets	1,050.66
Total current assets	9,626.86
Total assets	9,741.63
EQUITY AND LIABILITIES	
Equity	
Equity share capital	1,327.27
Equity component of compulsory convertible debentures	3,474.64
Other equity	(3,652.83)
Total equity	1,149.08
Non-current liabilities	
Financial liabilities	
- Borrowings	3,955.64
- Other financial liabilities	51.07
Provisions	0.40
Total non-current liabilities	4,007.11
Current liabilities	
Financial liabilities	
- Borrowings	2,145.13
- Trade payables	
Total outstanding dues of micro enterprises and small enterprises	115.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	563.94
- Other financial liabilities	238.37
Other current liabilities	1,413.81
Provisions	108.87
Total current liabilities	4,585.44
Total equity and liabilities	9,741.63

The accompanying other explanatory information are an integral part of the Special Purpose Interim Financial Information.

As per our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm registration number : 001076N/N500013

**For and on behalf of the Board of Directors of
Embassy One Developers Private Limited**

Ashish Kedia
Partner
Membership No.: 215834
Place: Bengaluru
Date: 22 March 2022

Rajesh Kaimal
Director
DIN : 03158687
Place:
Date: 22 March 2022

Aditya Virwani
Director
DIN: 06480521
Place: Bengaluru
Date: 22 March 2022

Embassy One Developers Private Limited
Unaudited Special purpose interim statement of profit and loss for the period from 1 April 2021 to
31 December 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

	Nine months ended 31 December 2021
Income	
Revenue from operations	353.17
Other income	81.92
Total income	435.09
Expenses	
Cost of materials consumed	368.33
Employee benefits expense	10.32
Finance costs	691.87
Depreciation and amortization expenses	0.01
Other expenses	115.43
Total expenses	1,185.96
Loss before tax	(750.87)
Tax expense	
Current tax (including prior period income taxes)	17.93
Deferred tax	-
Loss for the year	(768.80)
Other comprehensive income for the year, net of tax	-
Total comprehensive loss for the year	(768.80)
Earnings per share (equity shares, par value of ₹ 10 each)	
- Basic	(5.66)
- Diluted	(5.66)

The accompanying other explanatory information are an integral part of the Special Purpose Interim Financial Information.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm registration number : 001076N/N500013

**For and on behalf of the Board of Directors of
Embassy One Developers Private Limited**

Ashish Kedia
Partner
Membership No. 215834

Place: Bengaluru
Date: 22 March 2022

Rajesh Kaimal
Director
DIN : 03158687

Place: Bengaluru
Date: 22 March 2022

Aditya Virwani
Director
DIN: 06480521

Place: Bengaluru
Date: 22 March 2022

Embassy One Developers Private Limited
Unaudited Special Purpose Interim Statement of Cash Flows for the period from 1 April 2021 to
31 December 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

	Nine months ended 31 December 2021
Cash flows from operating activities	
Loss before tax	(750.87)
Adjustments for	
- Finance cost	691.87
- Depreciation and amortization	0.01
- Interest income	(79.32)
- Reversal of provision for onerous contracts	(43.36)
Operating cash flow before working capital changes	(181.67)
<i>Changes in</i>	
- Increase in other current assets	(14.70)
- Increase in other current financial assets	(0.01)
- Decrease in inventories	324.78
- Increase in trade payables	26.45
- Increase in provisions	0.05
- Increase in current financial liabilities	6.27
- Increase in other current and non-current liabilities	80.65
Cash generated from operations	241.82
Income taxes refund (net of payments)	6.28
Cash generated from operations	248.10
Cash flows from investing activities	
Interest received	20.02
Maturity of fixed deposits	233.57
Investment in fixed deposit	(217.79)
Receipts from Inter-corporate deposit	97.67
Investment in earmarked accounts	56.73
Net cash generated from investing activities	190.20
Cash flows from financing activities	
Repayment of borrowings	(1,480.29)
Proceeds from issue of non convertible debentures	1,200.00
Proceeds from short-term borrowings	480.49
Interest paid	(617.10)
Net cash used in financing activities	(416.90)
Increase in cash and cash equivalents	21.40
Cash and cash equivalents at the beginning of the period	6.35
Cash and cash equivalents at the end of the period	27.75
Components of cash and cash equivalents	
Balances with banks:	
- in current accounts	27.75
Cash and cash equivalents at the end of the period	27.75

The accompanying other explanatory information are an integral part of the Special Purpose Interim Financial Information.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's registration number: 001076N/N-500013

**For and on behalf of the Board of Directors of
Embassy One Developers Private Limited**

Ashish Kedia
Partner
Membership No. 215834

Rajesh Kaimal
Director
DIN : 03158687

Aditya Virwani
Director
DIN: 06480521

Place: Bengaluru
Date: 22 March 2022

Place: Bengaluru
Date: 22 March 2022

Place: Bengaluru
Date: 22 March 2022

Embassy One Developers Private Limited

Unaudited Special Purpose Interim Statement of Changes In Equity for the period from 1 April 2021 to 31 December 2021

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

A. Equity share capital

Particulars	Number of shares	Amount
<i>Equity shares of ₹ 10 each issued, subscribed and fully paid</i>		
Balance as at 1 April 2021	132.73	1,327.27
Changes during the period	-	-
Balance as at 31 December 2021	132.73	1,327.27

B. Other equity

Particulars	Equity component of compulsorily convertible debentures	Reserves & surplus Accumulated deficit	Other comprehensive income Remeasurement of defined benefit liability/ (asset)	Total other equity
Balance as at 1 April 2021	3,474.64	(2,884.07)	0.04	590.61
Net loss during the period	-	(768.80)	-	(768.80)
Balance as at 31 December 2021	3,474.64	(3,652.87)	0.04	(178.19)

The accompanying other explanatory information are an integral part of the Special Purpose Interim Financial Information.

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

Firm registration number : 001076N/N500013

For and on behalf of the Board of Directors of

Embassy One Developers Private Limited

Ashish Kedia

Partner

Membership No. 215834

Place: Bengaluru

Date: 22 March 2022

Rajesh Kaimal

Director

DIN : 03158687

Place: Bengaluru

Date: 22 March 2022

Aditya Virwani

Director

DIN: 06480521

Place: Bengaluru

Date: 22 March 2022

Embassy One Developers Private Limited
Other explanatory information for the period from 1 April 2021 to 31 December 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

1 Basis of preparation

A scheme of amalgamation has been filed before the National Company Law Tribunal ('NCLT') for the amalgamation ('the Scheme') of NAM Estates Private Limited ('NEPL') and Embassy One Commercial Property Developments Private Limited with Indiabulls Real Estate Limited ('IBREL') for which the NCLT approval is currently awaited. Upon sanction of the Scheme by NCLT and restructuring activities envisaged in such Scheme, which includes acquisition of controlling stake in Embassy One Developers Private Limited ('EOPL' or the 'Company'), the Company will become a wholly-owned subsidiary of IBREL.

This Special Purpose Interim Financial Information of the Company which comprises of the Unaudited Special Purpose Interim Balance Sheet as at 31 December 2021, the Unaudited Special Purpose Interim Statement of Profit and Loss (including other comprehensive income), the Unaudited Special Purpose Interim Statement of Cash Flows and the Unaudited Special Purpose Interim Statement of Changes in Equity for the nine months then ended and other explanatory information (together hereinafter referred to as the "Special Purpose Interim Financial Information") has been prepared by the Company's management, in connection with the purpose inclusion in the placement document of Indiabulls Real Estate Limited's proposed issue of equity shares through Qualified Institutional Placement to be submitted with the Securities Exchange Board of India ('SEBI'), the National Stock Exchange of India Limited and the BSE Limited (together, the 'Stock Exchanges') and the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi ('ROC') as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("SEBI ICDR Regulations") and Sections 42 and 62 of the Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

These Special Purpose Interim Financial Information of the Company have been prepared as per the principles of Indian Accounting standards including Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India except that disclosure requirements as required under Ind AS 34 and Schedule III to the Companies Act, 2013, including presentation of comparative financial information, have not been fully complied with in this Special Purpose Interim Financial Information, since such financial information is prepared for the limited purposes as specified above. The accounting policies followed in preparation of the Special Purpose Interim Financial Information are consistent with those followed in the most recent annual financial statements of the Company, i.e., for the year ended 31 March 2021.

Further, owing to the transfer of the hotel, office and retail operations of the Company in FY 2018-19, which comprised the largest segments of the Company's business, the Company has evaluated its ability to sustain its operations in the foreseeable future. Considering the net positive cash flow projections from operations (sale of residential apartment units), continued committed financial support from Embassy Property Developers Private Limited (Entity exercising joint control) and access to lines of credit, management believes that the Company will not have any challenge in meeting its financial obligations for the next 12 months from the date of issue of Special Purpose Interim Financial Information.

2 Contingent liabilities and commitments

Particulars	As at 31 December 2021
Contingent liabilities	
Claims against the Company not acknowledged as debt:	
- Income tax [Note (i)]	15.97

Notes:

- (i) The Company has received an Income tax demand of ₹ 10.49 millions for AY 2016-17 due to disallowance of business loss on grounds of non commencement of business. The Company has filed an appeal against the same and is pending for hearing with CIT Appeals, Bengaluru.
The Company has received an Income tax demand of ₹ 5.48 millions for AY 2019-20 u/s 143(1) out of which ₹ 4.98 millions is adjusted with Income tax refundable for AY 2020-21. The Company is evaluating options for filing an appeal against the same and hence same is not provided for in financial statement.
- (ii) As per RERA regulations, if a promoter is unable to complete or give possession of an apartment, plot or building in accordance with the terms of agreement for sale, or as the case may be, duly completed by the date specified therein, he shall be liable to interest on demand of the allottee. Further this point has been absorbed in the construction agreement stating that a compensation would be payable to the allottee till the date of delivery in case of any delay caused. Since the management is of the opinion that the possibility of claim from the allottees are remote, the same has not been disclosed as a contingent liability.

Embassy One Developers Private Limited
Other explanatory information for the period from 1 April 2021 to 31 December 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

(iii) The Company has a system for maintenance of documents and other relevant information in respect of amounts due by it to parties who are registered as micro and small enterprises. As at 31 December 2021, the amounts due to micro and small enterprises is ₹ 115.32 million out of which ₹ 115.29 million is outstanding for more than 45 days from the appointed day (as defined in the 2(b) of the MSME Act 2006). As per the MSME Act 2006, Section 16, where any buyer fails to make payment of the amount to the supplier, as required under Section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank. In this case, the management contends that the creditors have not raised any interest demand yet and the Company has not paid interest during the year, and hence the interest accrued under Section 16 of the MSME Act is not provided for.

3 Related parties disclosures

(i) Name of related parties and description of relationship:

A. Enterprises and individuals who exercise joint control

Embassy Inn Private Limited, India
Embassy Property Developments Private Limited
JV Holdings Private Limited, India
WWD Pearl Limited, Mauritius
BREP Asia SG City View Holding (NQ) Pte. Limited
BREP VII SG City View Holding (NQ) Pte Limited
BREP Asia SBS City View Holding (NQ) Limited
BREP VII SBS City View Holding (NQ) Limited

B. Key management personnel (KMP)

Rajesh Kaimal	Director
Aditya Virwani	Director
Asheesh Mohta	Director
Siddharth Nawal	Director

C. Subsidiaries of entities exercising joint control

Embassy Services Private Limited
Quadron Business Park Private Limited

(ii) The following is a summary of related party transactions

Particulars	Nine months ended 31 December 2021
Embassy Inn Private Limited	
Current financial assets- Loans	
Amounts received	97.67
Current financial liabilities- Borrowings	
Amounts received	930.97
Other income- interest income (refer note a)	
Finance cost- interest expenses	19.02
-on compulsorily convertible debentures (CCDs)	4.02
-on loans	0.11
-on non-convertible debentures	14.89
Embassy Property Developments Private Limited	
Current financial liabilities- Borrowings	
Other adjustments (refer note a)	
Amount paid	136.00
Amount received	150.00
Other income- interest income	2.74
Finance cost- interest expenses	
Other adjustments (refer note a below)	

Embassy One Developers Private Limited
Other explanatory information for the period from 1 April 2021 to 31 December 2021
(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

(ii) The following is a summary of related party transactions

Particulars	Nine months ended 31 December 2021
Finance cost - interest on CCDs	
BREP Asia SG City View Holding (NQ) Pte Ltd	3.91
BREP VII SG City View Holding (NQ) Pte Ltd	0.98
BREP Asia SBS City View Holding (NQ) Ltd	0.02
BREP VII SBS City View Holding (NQ) Ltd	0.01
Finance cost - interest on NCDs	
WWL Pearl Limited	14.89
Issue of non convertible debentures (NCD)	
WWL Pearl Limited	600.00
Other income	
Quadron Business Park Private Limited	1.80
Other expenses	
Embassy Services Private Limited	51.05
Quadron Business Park Private Limited	6.18

(iii) Balances receivable from and payable to related parties:

Particulars	As at 31 December 2021
Embassy Inn Private Limited	
Borrowings	14.66
Interest payable but not due	0.11
Compulsory Convertible Debentures - Equity and Liability component	1,608.60
Unlisted, non-convertible, redeemable debentures	600.00
Embassy Property Developments Private Limited	
Borrowings	14.00
Advance for purchase of transferrable development rights (TDRs)	810.00
Interest receivable but not due	2.74
Trade payables	20.58
Embassy Services Private Limited - Trade payables	162.12
Quadron Business Park Private Limited - Trade payables	3.56
JV Holdings Private Limited - Trade payables	3.05
Compulsory Convertible Debentures - Equity and Liability component	
BREP Asia SG City View Holding (NQ) Pte Ltd	1,565.87
BREP VII SG City View Holding (NQ) Pte Ltd	391.19
BREP Asia SBS City View Holding (NQ) Ltd	6.89
BREP VII SBS City View Holding (NQ) Ltd	2.67
WWL Pearl Limited - Unlisted, non-convertible, redeemable debentures	600.00

Notes:

- The Company has entered into an agreement dated 13 October 2021 with Embassy Inn Private Limited (EIPL) and Embassy Property Developers Private Limited (EPDPL) wherein the following has been agreed:
 - EPDPL has agreed to assign inter corporate deposits receivable by EPDPL from the Company amounting to ₹ 308.34 million in favor of EIPL.
 - The Company has charged EIPL an additional interest of ₹ 65.56 million towards the inter corporate deposits receivable from EIPL.
 - EPDPL has waived interest payable of ₹ 9.19 million by the Company on the inter corporate deposits of ₹ 308.34 million.
- The Company has entered into an arrangement with EIPL dated 13 October 2021, wherein monies received towards inter corporate deposits by the Company to be considered as subscription amount for the issuance of non convertible debentures amounting to ₹ 600 million.
- The Company has entered into an arrangement with EIPL dated 13 October 2021 for offsetting interest receivables on inter corporate deposits receivables amounting ₹ 361.34 million with inter corporate deposits payable of ₹ 315.82 million and trade payable of ₹ 45.52 million.

Embassy One Developers Private Limited

Other explanatory information for the period from 1 April 2021 to 31 December 2021

(All amounts are in Indian Rupees (₹) millions, unless otherwise stated)

- 4 There are no subsequent events which require adjustment in the Special Purpose Interim Financial Information. The Unaudited Special Purpose Interim Financial Information were authorised for issue by the Board on 22 March 2022.

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

Firm registration number : 001076N/N500013

For and on behalf of the Board of Directors of

Embassy One Developers Private Limited

Ashish Kedia

Partner

Membership No. 215834

Place: Bengaluru

Date: 22 March 2022

Rajesh Kaimal

Director

DIN : 03158687

Place: Bengaluru

Date: 22 March 2022

Aditya Virwani

Director

DIN: 06480521

Place: Bengaluru

Date: 22 March 2022

INDEPENDENT AUDITORS' REPORT

To the Members of Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Embassy East Business Park Private Limited (formerly known as Concord India Private Limited ("the Company")), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As stated in Note no: 26 (a) & (b) to the financial statements, the company has:

- a) Received an additional Intercompany Deposit (loan) of Rs.10,703.65 thousands from its holding company during the financial year 2020-21 (aggregate Intercompany Deposit loan) outstanding of Rs.127,703.65 thousands as at 31 March 2021); and
- b) Provided leasehold land held by it as a security for loan taken by the erstwhile holding company from a bank.

As per the requirement of Section 185 of the Companies Act, 2013, no company shall directly or indirectly provide any loan or give any guarantee or provide any security to any of its directors or to any other person in whom the director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person. Accordingly, the aforesaid Intercompany Deposit(loan) received, and guarantee given by the company is not in compliance with the requirement of the Act. However, impact of this non-compliance has not been quantified by the company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. The report does not include a statement on the matter specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, Since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company.
2. As required by Section 143(3) of the Act, we report that:
 - a. Except for the effects of the matters described in the basis of qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, except for the matters described in the basis of qualified opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, and the Statement Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, except for the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act
 - f. The company has been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial control system in place and the operating effectiveness of such control as per clause (i) of section 143(3); and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no: 19 to the financial statements ;
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses ;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the matter to be included in the Auditor's Report under Section 197(16):

In our opinion and according to the information and explanation given to us, the Company is a private limited company and accordingly provision of section 197 of the Act is not applicable to the Company.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN:

Place: Bengaluru

Date: 31 August 2021

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)**CIN: U51101KA1973PTC002298****Balance Sheet**

(All amounts are in ₹ thousands unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Investment property	4	3,32,947.28	3,32,947.28
Investment property under development	5	3,015.38	2,815.38
Non-current tax asset (net)	6	2,449.88	2,584.19
Total non-current assets		3,38,412.54	3,38,346.85
Current assets			
Financial assets			
- Cash and cash equivalents	7	524.78	2,476.63
- Other current financial assets	8	-	-
Other current assets	9	100.00	102.66
Total current assets		624.78	2,579.29
Assets held for sale	10	99,516.14	99,516.14
Total assets		4,38,553.46	4,40,442.28
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	7,502.24	7,502.24
Other equity	12	(93,611.62)	(77,353.22)
		(86,109.38)	(69,850.98)
Non-current liabilities			
Financial liabilities			
- Borrowings	13	100.00	-
Other non-current liabilities	14	369.12	639.50
		469.12	639.50
Current liabilities			
Financial liabilities			
- Other financial liabilities	15	7,043.57	3,039.51
- Borrowings	16	1,83,347.85	1,72,744.20
Other current liabilities	17	3,33,802.31	3,33,870.05
		5,24,193.73	5,09,653.76
Total equity and liabilities		4,38,553.46	4,40,442.28

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

*for NSVM & Associates**Chartered Accountants*

Firm registration number: 010072S

*for and on behalf of the Board of Directors of***Embassy East Business Park Private Limited****D N Sree Hari***Partner*

Membership number: 027388

D Vijayakumar*Director*

DIN: 0000036772

Shaina Ganapathy*Director*

DIN: 0001777973

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)**CIN: U51101KA1973PTC002298****Statement of profit and loss**

(All amounts are in ₹ thousands unless otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
INCOME			
Other income	18	381.27	442.48
		381.27	442.48
EXPENSES			
Other expenses	19	16,639.67	9,983.78
		16,639.67	9,983.78
Loss before tax		(16,258.40)	(9,541.28)
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
Income tax expense		-	-
Other comprehensive income		-	-
Total comprehensive loss for the year		(16,258.40)	(9,541.28)
Loss per share (equity shares, par value Rs 10 each)	22		
- Basic and diluted			
Class A equity shares		-	-
Class B equity shares		-	-
Equity shares		(21.67)	(12.72)

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for NSVM & Associates*Chartered Accountants*

Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy East Business Park Private Limited**D N Sree Hari***Partner*

Membership number: 027388

D Vijayakumar*Director*

DIN: 0000036772

Shaina Ganapathy*Director*

DIN: 0001777973

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Statement of Cash flows

(All amounts are in ₹ thousands unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities:		
Loss before tax	(16,258.40)	(9,541.28)
Adjustments:		
- Guarantee fee income	(370.53)	(442.48)
Operating loss before working capital changes	(16,628.93)	(9,983.76)
Changes in		
- Other current assets	2.65	(2.65)
- Other financial liabilities	4,004.06	488.06
- Other current liabilities	32.41	(2,008.28)
Cash (used in) operations	(12,589.81)	(11,506.63)
Income-taxes (paid) /received, net	134.31	45,000.00
Net cash (used in) operating activities	(12,455.50)	33,493.37
Cash flow from investing activities		
Development of investment property	(200.00)	-
Net cash generated from investing activities	(200.00)	-
Cash flow from financing activities:		
Proceeds Inter Corporate Deposit	10,703.65	(39,747.46)
Net cash generated from financing activities	10,703.65	(39,747.46)
Net increase / (decrease) in cash and cash equivalents	(1,951.85)	(6,254.11)
Cash and cash equivalents at the beginning of the year (refer note 7)	2,476.63	8,730.72
Cash and cash equivalents at the end of the year	524.78	2,476.63
Cash and cash equivalents comprise of:		
-Cash and bank balances (refer note 7)	524.78	2,476.63
	524.78	2,476.63

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Embassy East Business Park Private Limited**D N Sree Hari**

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 0000036772

Shaina Ganapathy

Director

DIN: 0001777973

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Statement of changes in equity

(All amounts are in ₹ thousands unless otherwise stated)

(A) Equity share capital

Particulars	
Balance as at 1 April 2019	7,502.24
Add: Issue of shares	-
Balance as at 31 March 2020	7,502.24
Balance as at 1 April 2020	7,502.24
Add: Issue of shares	-
Balance as at 31 March 2021	7,502.24

(B) Other equity*

Particulars	Share Warrants	Equity component of interest-free loans taken	Equity component of deferred guarantee income	Reserves and Surplus		Total other equity
				Securities premium	Retained earnings	
Balance as at 1 April 2019	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,31,236.05)	(67,811.93)
Profit or (loss) for the year	-	-	-	-	(9,541.28)	(9,541.28)
Total comprehensive income	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,40,777.35)	(77,353.22)
Transactions recorded directly in equity						
- equity portion of corporate guarantee	-	-	-	-	-	-
- interest free loan repaid during the year	-	-	-	-	-	-
Balance as at 31 March 2020	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,40,777.35)	(77,353.22)
Balance as at 1 April 2020	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,40,777.35)	(77,353.22)
Profit or (loss) for the year	-	-	-	-	(16,258.40)	(16,258.40)
Total comprehensive income	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,57,035.75)	(93,611.62)
Transactions recorded directly in equity						
- equity portion of corporate guarantee	-	-	-	-	-	-
- interest free loan repaid during the year	-	-	-	-	-	-
Balance as at 31 March 2021	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,57,035.75)	(93,611.62)

*Also refer note 12

Significant accounting policies

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

3

for and on behalf of the Board of Directors of

Embassy East Business Park Private Limited

D N Sree Hari

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 0000036772

Shaina Ganapathy

Director

DIN: 0001777973

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

Place: Bengaluru

Date: 31 August 2021

1 Company background

Concord India Private Limited ("CIPL" or "the Company"), is a private limited company incorporated on 15 February 1973 as a public limited company and was later converted into a private limited company on 9 April 2008. The Company has been formed primarily for the purpose of real estate development. The Company is a subsidiary of Embassy Property Developments Private Limited, a private limited company.

On 22 October 2020, the name of the Company has been changed from Concord India Private Limited to Embassy East Business Park Private Limited.

2 Basis of preparation of financial statements

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue for the said purpose laid down in 2.1 by the Company's Board of Directors on 31 August 2021

Details of the Company's accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

2.3 Use of going concern assumptions

The Company's financial statements have been prepared on a going concern basis even though the Company has a negative net worth of INR 60,309.68 thousand as at 31 March 2021 and has incurred a net loss of INR 39,306.01 thousand for the year ended 31 March 2021. Further, the Company's current liabilities exceeded its current assets by INR 523,738.31 thousand as at that date. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on financial support committed to the Company by the holding company, Embassy Property Developments Private Limited, as well as the market value of the underlying leasehold land held by the Company.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.5 Use of estimates and judgements

In preparing these financial statements, management has made judgements estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Formation about judgements, estimates and assumptions in applying the accounting policies that have a significant effect on the amount recognised in the financial statements are included in the following note:

- note 4: Classification of leasehold land as investment property

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a management oversight that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognizes transfers between levels of fair value hierarchy at the end of the year during which the change has occurred.

3 Significant accounting policies

3.1 Impairment of assets

The Company recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is 90 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The Company's non-financial assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

3.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, inclusive of GST and net of taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Lease/sub-lease rental income is recognised when right to receive such income is established in accordance with the terms of the contract with the clients

3.3 Recognition of, interest income or expense

Interest expense/ income is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortized cost of financial instrument.

In calculating interest expense, the effective interest rate is applied to the amortized cost of the liability.

3.4 Guarantee income

Financial guarantees issued by the company are recognised initially at fair value, and the financial guarantee is recognised in P&L over the tenure of the guarantee.

3.5 Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.6 Investment Property

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued

3.7 Financial Instruments

a). Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3.7 Financial Instruments (Continued)

b) Classification and subsequent measurement (continued)

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for Derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on Derecognition is also recognized in profit or loss.

c) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

3.7 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and amortized cost.

At initial recognition, the Company measures a financial liability at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortized cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3.8 Low Interest and interest free loans

For all loans which are offered at a below-market rate or interest free, the Company considers the following aspects:

- All the terms and conditions of the loan
- Local market circumstances and the industry practice
- Interest rates currently charged by or offered to the entity for loans with similar risks and characteristics.

As per Ind AS 109, the Company recognizes all financial instruments including interest free loans, on initially recognition at their fair value.

Ind AS 109 requires the difference between the transaction price and the fair value of a low-interest or interest free loan to be recognised as a gain or loss (if the fair value is based on observable inputs), unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan.

On fair valuation of an interest-free loan from a parent to a subsidiary, the 'other component' being the difference between the fair value and the face value of the loan are considered as an equity infusion ('other equity') by the parent.

3.9 Non-current assets held for sale

Non current assets, comprising of assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through a sale transaction rather than continuing use.

Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and issues on re- measurement are recognised in profit and loss.

Once classified as asset held for sale such investment property are no longer depreciated.

3.10 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3.11 Provisions and contingent liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

3.12 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

3.14 Earnings per share

The basic earnings/(loss) per share is computed by dividing the net profit/ (loss) attributable to owner's of the company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3.15 Operating segments

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in a business of real estate development and has no other primary reportable segments. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segments assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the financial statements for the year ended 31 March 2020 and as on that date. As the Company operates in India only, hence no separate geographical segment is disclosed.

3.16 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.17 Recent accounting pronouncements

a. The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below. There were several new and amendments to standards and interpretations which are applicable for the first time for the year ended 31 March 2021, but either not relevant or do not have an impact on the financial statements of the Company. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

b. Amendments to Ind AS 103: Definition of a Business: The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. The other key amendments include, adding an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business and narrowing the definitions of business and outputs by focusing on goods or services provided to customers and by removing the reference to an ability to reduce costs. These amendments had no impact on the financial statements of the Company

c. Amendments to Ind AS 1 and Ind AS 8: Definition of Material: The amendments provides a new definition of material that states, "information material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company.

d. Several other amendments apply for the first time for the year ending 31 March 2021, but does not have an impact on the financial statements of the Company.

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4 Investment property

Description	Tangible Assets	
	Leasehold land (refer note -i)	Total
Gross Block		
Balance as at 1 April 2019	3,32,947.28	3,32,947.28
Additions during the year	-	-
Balance as at 31 March 2020	3,32,947.28	3,32,947.28
Balance as at 1 April 2020	3,32,947.28	3,32,947.28
Additions during the year	-	-
Balance as at 31 March 2021	3,32,947.28	3,32,947.28
Depreciation and impairment losses		
Balance as at 1 April 2019	-	-
Depreciation for the year	-	-
Balance as at 31 March 2020	-	-
Balance as at 1 April 2020	-	-
Depreciation for the year	-	-
Balance as at 31 March 2021	-	-
Carrying amount:		
Balance as at 31 March 2020	3,32,947.28	3,32,947.28
Balance as at 31 March 2021	3,32,947.28	3,32,947.28
Fair value (refer note ii below)		
Balance as at 31 March 2020	2,20,91,000.00	2,20,91,000.00
Balance as at 31 March 2021	2,18,13,000.00	2,18,13,000.00

Note:

i) Amounts recognised in profit and loss for Investment Property

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rental income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income during the year	(10,370.07)	(6,264.51)
Loss arising from investment properties before depreciation and indirect expenses	(10,370.07)	(6,264.51)
Less: Depreciation	-	-
Loss arising from investment properties	(10,370.07)	(6,264.51)

ii) Fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the non-availability of the business plan for the property, the external independent valuer has used "Income Approach- Discounted cash flow method" method approach for assessing the fair value of the property.

The "Income Approach- Discounted cash flow method" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable. Using this valuation method, future cash flows from the property are forecasted using precisely stated assumptions. This method allows for the explicit modelling of income associated with the property. These future financial benefits are then discounted to a present day value at an appropriate discount rate.

4 Investment property (continued)**Note (continued):****iii) Restriction on realisability**

a) Karnataka Industrial Area Development Board (KIADB) has allotted 78.2219 acres of land to the Company on lease-cum-sale basis. Of the above, 58 acres of land is leased for a period of 20 years and 20.2219 acres is for a period of 11 years. The allotment is to develop infrastructure facilities for IT/ITES companies. In accordance with the terms of agreement with KIADB, a consideration of Rs 398,762.84 thousands has been paid to KIADB and Rs 33,700.58 thousands towards stamp duty. The agreement gives a right to the Company to acquire land at the end of the lease term for no additional consideration. However, if KIADB incurs any further cost towards settlement to the previous owners, KIADB has the right to recover the additional consideration from the Company. During the period of the lease term till transfer of ownership, the Company is required to pay a nominal rent of Rs 78,550 per annum. As at the balance sheet date, as KIADB has not intimated any additional consideration, the Management believes that no further cost is required to be paid to KIADB.

The above land includes 18 acres of land which has been sub-leased to a party for a total consideration of Rs 333,234 thousand under a lease cum sale agreement. Accordingly, the proportionate cost of such 18 acres of land has been classified as assets held for sale - refer note 9 to the financial statements.

b) The aforementioned parcel of land was subject to litigation between the Range Forest Officer, Bangalore and the Company. The Range Forest Officer had issued notice vide No. 176/2007-2008 to the Company alleging that the land allotted by KIADB to the Company is a forest land and the Company is in unauthorised occupation of the forest land. Aggrieved by the said notice, the Company had filed a writ petition before the Honourable High Court of Karnataka appealing for quashing of the said notice issued by the Forest Department. The Honourable High Court of Karnataka on 25 May 2012 has allowed the writ petition no. 7200/2008 filed by the Company confirming that the land allotted by KIADB is not a forest land. Aggrieved by the said order dated 25 May 2012, the Forest Department has filed an appeal vide W.A. 4283/2012 before the Honourable High Court of Karnataka. The Company has also filed an appeal vide W.A. 4205/2012 seeking certain clarifications on certain observations made in the order dated 25 May 2012. The Honourable High Court of Karnataka, on 23 July 2019 has dismissed the appeal filed by the Forest Department vide W.A. 4283/2012 and also disposed of the appeal filed by the Company vide W.A. 4205/2012.

Further the Range Officer, Bengaluru filed an appeal with the Honourable Supreme Court of India and the appeal was dismissed on 19th November 2020.

5 Investment property under development

Description	As at	As at
	31 March 2021	31 March 2020
Investment property under development (refer note (i) below)	3,015.38	2,815.38
	3,015.38	2,815.38

(i) In the current financial year Investment property under development is reclassified from Investment Property

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Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)**CIN: U51101KA1973PTC002298****Notes to financial statements for the year ended 31 March 2021(Continued)**

(All amounts are in ₹ thousands unless otherwise stated)

Non-current assets**6 Non-current tax asset (net)**

Particulars	As at 31 March 2021	As at 31 March 2020
- Advance tax net of provision for tax	2,449.88	2,584.19
	2,449.88	2,584.19

Current financial assets**7 Cash and cash equivalents**

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	524.78	2,476.63
	524.78	2,476.63

8 Other current financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Advance recoverable	6,821.00	6,821.00
	6,821.00	6,821.00
Less: Allowance for doubtful advances	(6,821.00)	(6,821.00)
	-	-

9 Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Advances for rendering of services	100.00	102.66
	100.00	102.66

10 Assets held for sale

The Company has entered into an agreement with Mandava Holdings Private Limited for sub-lease cum sale of 18 acres of the total 78 acres of land obtained on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB) for a total consideration of ₹ 333,324.00 thousands which has already been received by the Company.

As at the balance sheet date, the assets held for sale has been stated at carrying amount (being lower of cost and agreed sub-lease-cum sale value). Completion of the transaction is dependent on obtaining an NOC from KIADB for sublease of the said land.

Particulars	As at 31 March 2021	As at 31 March 2020
Investment Property held for sale	99,516.14	99,516.14
	99,516.14	99,516.14

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Notes to financial statements for the year ended 31 March 2021(Continued)

(All amounts are in ₹ thousands unless otherwise stated)

11 Share capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised capital		
50,000 (Previous year: 50,000) 9% non-cumulative redeemable preference shares of Rs 100 each	5,000.00	5,000.00
15,00,000 (Previous year: 15,00,000) Equity shares of Rs.10 each	15,000.00	15,000.00
	20,000.00	20,000.00
Issued, subscribed and paid up		
750,224 (Previous year: 750,224) Equity shares of Rs. 10 each, fully paid up	7,502.24	7,502.24
	7,502.24	7,502.24

(a) Shareholders holding more than 5 percent of shares in the Company :

Name of the share holder	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each				
Embassy Property Developments Private Limited, (Holding company)	-	-	3,82,614	51%
Florence Investments Limited (Mauritius)	3,67,610	49%	3,67,610	49%
NAM Estates Private Limited*	3,82,614	51%	-	-

*Shares transferred pursuant to Scheme of amalgamation/demerger of Embassy Property Developments Private Limited with NAM Estates Private Limited, approved by Regional Director on 06th August 2021

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as given below:

Class A equity shares of Rs 10 each:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	-	-	3,82,614	3,826.14
Number of equity shares issued during the year	-	-	-	-
Number of equity shares ceased to exist during the year due to alignment of class of shares	-	-	(3,82,614)	(3,826.14)
Number of equity shares outstanding at the end of the year	-	-	-	-

Class B equity shares of Rs 10 each:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	-	-	3,67,610	3,676.10
Number of equity shares issued during the year	-	-	-	-
Number of equity shares ceased to exist during the year due to alignment of class of shares	-	-	(3,67,610)	(3,676.10)
Number of equity shares outstanding at the end of the year	-	-	-	-

Equity shares of Rs 10 each:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	7,50,224	7,502.24	-	-
Number of equity shares introduced during the year due to change in nature	-	-	7,50,224	7,502.24
Number of equity shares outstanding at the end of the year	7,50,224	7,502.24	7,50,224	7,502.24

(c) Rights, entitlements and obligations of different classes of shares

Effective 22 August 2008, the Company entered into a tripartite Shareholders Agreement ("the Agreement") with its shareholders i.e. Embassy Property Developments Private Limited and Florence Investments Limited ("the Shareholders"). The significant terms of the Agreement and the rights of Shareholders are mentioned hereunder:

Embassy Property Developments Private Limited shall hold 382,614 class A equity shares of Rs 10 each carrying 51% voting rights and 98% economic interest in the Company. Florence Investments Limited shall hold 367,610 class B equity shares of Rs 10 each carrying 49% voting rights and 2% economic interest in the Company. During the year ended March 31, 2020, the Company has amended the Articles of Association by passing a special resolution in the EGM held on 13 December 2019 to align the economic interest of the shareholders in the proportion of the shareholding of the respective members. Consequently Effective 07 January 2020, the Company entered into a tripartite Shareholders Agreement ("the Agreement") with its shareholders i.e. Embassy Property Developments Private Limited(the shares now stand vested in the name of NAM Estates Private Limited) and Florence Investments Limited ("the Shareholders").

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Buy back of shares and shares allotted by way of bonus shares

The Company has not allotted any fully paid up equity shares by way of bonus shares nor has it bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has it issued shares for consideration other than cash.

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Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Notes to financial statements for the year ended 31 March 2021(Continued)

(All amounts are in ₹ thousands unless otherwise stated)

12 Other Equity

Particulars	As at 31 March 2021	As at 31 March 2020
Securities premium		
At the commencement of the year	2,06,614.75	2,06,614.75
Add: Additions during the year	-	-
At the end of the year	2,06,614.75	2,06,614.75
Retained earnings		
At the commencement of the year	(4,40,777.35)	(4,31,236.05)
Add: Additions during the year	(16,258.40)	(9,541.28)
At the end of the year	(4,57,035.75)	(4,40,777.34)
Share warrants (refer note below)		
At the commencement of the year	200.00	200.00
Add: Additions during the year	-	-
At the end of the year	200.00	200.00
Equity component of interest-free loans taken		
At the commencement of the year	1,58,557.02	1,58,557.02
Add: Additions during the year	-	-
At the end of the year	1,58,557.02	1,58,557.02
Equity component of deferred guarantee income		
At the commencement of the year	(1,947.64)	(1,947.64)
Add: Additions during the year	-	-
At the end of the year	(1,947.64)	(1,947.64)
	(93,611.62)	(77,353.21)

Notes:**(a) Share Warrants**

The share warrants were held by Embassy Property Developments Private Limited, the holding company. Pursuant to the Scheme of amalgamation/demerger of Embassy Property Developments Private Limited with NAM Estates Private Limited, approved by Regional Director on 06th August 2021, the share warrants are now held by NAM Estates Private Limited.

(b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(c) Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the statement of profit and loss to the retained earnings.

(d) Other component of equity

It represents the equity component arising on fair valuation of the guarantee provided for the loan availed by Embassy Property Developments Private Limited and Interest free loans taken as required under Ind AS 109 Financial Instruments.

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Notes to financial statements for the year ended 31 March 2021(Continued)

(All amounts are in ₹ thousands unless otherwise stated)

Non-current financial liabilities

13 Non-current borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured:		
Preference shares		
9% non-cumulative redeemable preference shares (refer note A below)	100.00	-
	100.00	-

*9% non-cumulative redeemable preference shares are redeemable on 30 December 2025 (31 December 2020) .1,000 (Previous year: 1,000) 9% non-cumulative redeemable preference shares of Rs 100 each. During the year March 31 2021 the company has passed resolution for extension of terms for 9% noncumulative redeemable preference shares from 31 December 2020 to 30 December 2025.

14 Other non-current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred guarantee income	369.12	639.50
	369.12	639.50

Current financial liabilities

15 Other current financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Payable for expenses to micro, small and medium enterprises	3,189.57	1,575.45
Payable for expenses other than micro, small and medium enterprises	3,854.00	1,464.06
	7,043.57	3,039.51

Also refer note 24

16 Current borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured:		
Preference shares*		
9% non-cumulative redeemable preference shares	-	100.00
Intercompany deposit received from related parties(Refer Note no:23)		
- loan from holding company	1,27,703.65	1,17,000.00
- loan from group company	55,644.20	55,644.20
	1,83,347.85	1,72,744.20

17 Current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Advance received for sub-lease of land (refer note 9)	3,33,234.00	3,33,234.00
Other liabilities		
- statutory dues	297.94	265.51
Deferred guarantee income	270.38	370.53
	3,33,802.32	3,33,870.04

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)**CIN: U51101KA1973PTC002298****Notes to financial statements for the year ended 31 March 2021(Continued)**

(All amounts are in ₹ thousands unless otherwise stated)

18 Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income		
- on Income Tax Refund	10.74	-
Gurantee fee income (refer note 26)	370.53	442.48
	381.27	442.48

19 Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal and professional (refer note 20)	5,573.16	3,699.88
Security charges	9,020.74	4,915.17
Barricading work	681.73	-
Rates and taxes	1,281.84	1,278.94
Rent (refer note 4(iii))	78.55	78.55
Miscellaneous	3.65	11.25
	16,639.67	9,983.78

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Notes to financial statements for the year ended 31 March 2021(Continued)

(All amounts are in ₹ thousands unless otherwise stated)

20 Auditors' remuneration (excluding GST, included in legal and professional fees)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Statutory audit fees	400.00	400.00
	400.00	400.00

21 Capital Commitments and contingent liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Contingent liabilities		
The Company has given its leasehold land, i.e. investment property as an exclusive security for a loan taken by Embassy Property Developments Private Limited.	47,15,802.64	53,11,005.05
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	14,705.00	-

22 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders (after adjusting for saving in interest or dividend expenses, net of taxes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Comprehensive loss for the year attributable to equity shareholders**		
- Equity shares	(16,258.40)	(9,541.28)
Weighted average number of equity shares outstanding during the year <i>Equity shares of Rs 10 each, fully paid</i>		
- Basic		
- Equity shares	7,50,224	7,50,224
Earnings/ (loss) per share – basic		
- Equity shares	(21.67)	(12.72)
- Dilutive		
- Equity shares	7,50,224	7,50,224
Earnings/ (loss) per share – dilutive		
- Equity shares	(21.67)	(12.72)

*The effect of share warrants are anti-dilutive in nature.

Notes to financial statements for the year ended 31 March 2021 (Continued)

(All amounts are in ₹ thousands unless otherwise stated)

23 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "real estate development"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considered necessary. The Company operates only in India. Hence no disclosure is considered necessary. However, the Company has not commenced its operations as at the year end.

- 24** The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been made in the financial statements based on information received and available with the Company. The Company does not have any interest dues to micro and small enterprises as at 31 March 2021 (31 March 2020 - Nil):

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	3,189.57	1,575.45
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.		
	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year.

25 Tax expense

A. Amounts recognised in statement of profit or loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax		
Current income tax charge	-	-
Deferred tax		
Attributable to-		
Origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	-	-

B Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting profit/ loss before income tax	(16,258.40)	(9,541.28)
Domestic tax rate	26.00%	26.00%
Tax using the Company's domestic tax rate	(4,227.19)	(2,480.73)
Effect of		
Guarantee Income	96.34	115.05
Finance Cost	-	-
Provision for property tax	330.40	
Provision for doubtful debts (reversal)/creation	-	(13.65)
Current year losses for which no deferred tax asset is recognised	3,800.44	2,379.34
Income tax expense	-	-

Details of deferred tax

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities		
Deferred tax liability on Interest free loans	-	-
Deferred tax assets		
Tax losses	-	-
	-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	As at 31 March 2021	As at 31 March 2020
Unused tax losses :		
Unabsorbed depreciation	48,958.67	48,958.67
Business loss	10,068.94	6,075.82
	59,027.61	55,034.49

- 26 (a) During the year, the Company has received an additional loan of Rs 10,703.65 thousands (outstanding of Rs 127,703.65 thousands as at 31 March 2021) from its holding company in which a director is interested. As per the requirements of Section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a Director is interested. Accordingly the aforementioned loan received by the Company is not in compliance with the requirements of the Act.

(b) On 6th July 2018, the company has provided leasehold land of 60 acres held by the company as a security for loan taken by a Private Limited Company in which a director is interested, as per the requirement of Section 185 of the Companies Act, 2013, No company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person whom a directly is interested. Accordingly the aforesaid guarantee given by the company is not in compliance with the requirement of the Act. However, the above loan has been repaid before balance sheet signing date.

- 27 The Company outsources its manpower and technology assistance requirements and does not have any employees on its rolls and hence does not incur any employee related benefits/ costs.

- 28 The Company did not have any income or expenditure in foreign currency during the current year and the previous year.

29 Expenditure on Corporate Social Responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2021 and 31 March 2020.

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30 Related parties disclosures

(i) Names of related parties and description of relationship

Enterprises where

Ultimate holding company	JV Holdings Private Limited
Intermediate holding company	Embassy Property Developments Private limited *
	NAM Estates Private Limited *

Other related parties with whom transactions have taken place during the year

Fellow subsidiary Udhyaman Investments Private Limited

Key management personnel Vijayakumar Dharmalingam
Shaina Ganapathy

(ii) Related party transactions

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Intercorporate deposit received - received/(repaid)		
- Embassy Property Developments Private Limited	-	3,252.55
- NAM Estates Private Limited	10,703.65	-
- Udhyaman Investments Private Limited	-	(43,000.00)
Guarantee fee income		
- Embassy Property Developments Private Limited	(370.53)	(442.48)

(iii) Amounts outstanding as at the balance sheet date:

Particulars	As at 31 March 2021	As at 31 March 2020
Intercorporate Deposit Received		
- Embassy Property Developments Private Limited	-	1,17,000.00
- NAM Estates Private Limited	1,27,703.65	-
- Udhyaman Investments Private Limited	55,644.20	55,644.20
Other equity component of guarantee fee income		
- Embassy Property Developments Private Limited	(1,947.64)	(1,947.64)
Deferred guarantee income (Current & Non-current)		
- Embassy Property Developments Private Limited	639.50	1,010.03

The Company has given its leasehold land as a secondary security for a loan of ₹ 10,000,000 thousands taken by Embassy Property Developments Private Limited, the holding company. The closing balance as on March 31, 2021 is ₹ 47,15,802.64 thousands.

*Shares transferred pursuant to Scheme of amalgamation/demerger of Embassy Property Developments Private Limited with NAM Estates Private Limited, approved by Regional Director on 06th August 2021, the Intercorporate Deposit shall be moved to NAM Estates Private Limited.

Note

Transactions with related parties have been shown after giving effect to the impact of reclassifications into liability and equity and adjustments arising on account of effective interest rate method under Ind AS.

There was no managerial remuneration payable/paid to directors during the year (previous year: Nil).

31 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening balance	Cashflow			Non cash movement	Closing balance
	April 01, 2020	Proceeds	Repayments	Interest Expenses	Fair value changes	March 31, 2021
Borrowings	1,72,744.20	10,703.65	-	-	-	1,83,447.85

32 Uncertainty relating to the global health pandemic on COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on revenue recognition, investment property (including under development), property, plant and equipment, capital work in progress, and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company and have compared the actual performance with the projections and expects the carrying amount of these assets as reflected in the balance sheet as at 31 March 2021 will be recovered. The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

As per our report of even date attached

for NSVM & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy East Business Park Private Limited

D N Sree Hari
Partner
Membership number: 027388

D Vijayakumar
Director
DIN: 0000036772

Shaina Ganapathy
Director
DIN: 0001777973

Place: Bengaluru
Date: 31 August 2021

Place: Bengaluru
Date: 31 August 2021

Place: Bengaluru
Date: 31 August 2021

INDEPENDENT AUDITORS' REPORT

To the Members of Concord India Private Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Concord India Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss(including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As stated in Note no: 27(a) & (b) to the financial statements, the company has:

- a) Received an additional Intercompany Deposit(loan) of Rs.3,252.55 thousands from its holding company during the financial year 2019-20(aggregate Intercompany Deposit(loan) outstanding of Rs.117,000.00 thousands as at 31 March 2020); and
- b) Provided leasehold land held by it as a security for Intercompany Deposit(loan) taken by the holding company from a bank;

in which a director is interested as per the requirement of Section 185 of the Companies Act, 2013. No company shall directly or indirectly provide any loan or give any guarantee or provide any security to a person whom a directly is interested. Accordingly, the aforesaid Intercompany Deposit(loan) received and guarantee given by the company is not in compliance with the requirement of the Act. However, impact of this non-compliance has not been quantified by the company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial

statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The financial statements of the Company for the year ended March 31, 2019, included in these financial statements, have been audited by the M/s BSR & Associates LLP who expressed a qualified opinion on those statements on August 21, 2019. The reason for qualified opinion as follows:

- a) The company has:
 - i) Received an additional Intercompany deposit (loan) of Rs.22,156,26 thousands from its holding company during the financial year 2018-19 (aggregate Intercompany deposit (loan) outstanding of Rs.113,747.46 thousands as at 31 March 2019); and
 - ii) Provided leasehold land held by it as a security for loan taken by the holding company from a bank;

In which a director is interested. As per the requirements of Section 185 of the Companies Act, 2013("Act"), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a director is interested. Accordingly, the aforementioned Intercompany deposit(loan) received, and security given by the company is not in compliance with the requirements of the Act. Impact of this non-compliance has not been quantified by the company.

- b) The company has advanced a sum of Rs.45,000.00 thousands towards an unrelated party (seller) for purchase of land. However, as on 31.03.2019, the transaction has not been consummated and there is no balance confirmation provided by the seller. While Management continues to represent that these advances are not secured, erstwhile auditor unable to comment on the recoverability of these amounts and the consequent impact, if any on the financial statements for the year ended 31 March 2019.

Report on Other Legal and Regulatory Requirements

1. The report does not include a statement on the matter specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, Since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company.
2. As required by Section 143(3) of the Act, we report that:
 - a. Except for the effects of the matters described in the basis of qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, except for the matters described in the basis of qualified opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss(including other comprehensive income), and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, except for the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act
 - f. The company has been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial control system in place and the operating effectiveness of such control as per clause (i) of section 143(3); and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no:4 to the financial statements;

- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditor's Report under Section 197(16):
- In our opinion and according to the information and explanation given to us, the Company is a private limited company and accordingly provision of section 197 of the Act is not applicable to the Company.

for N S V M & Associates
Chartered Accountants
Firm registration number: 010072S

D N Sree Hari
Partner
Membership No: 027388

UDIN: 20027388AAAAAH9673

Place: Bengaluru
Date: 03rd July 2020

Concord India Private Limited
CIN: U51101KA1973PTC002298

Balance sheet

(All amounts are in thousands unless otherwise stated)

	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Investment property	4	3,35,762.66	3,35,762.66
Other non-current assets	5	2,584.19	47,584.19
Total non-current assets		3,38,346.85	3,83,346.85
Current assets			
Financial assets			
- Cash and cash equivalents	6	2,476.63	8,730.72
- Other financial assets	7	-	-
Other current assets	8	102.66	100.00
Total current assets		2,579.29	8,830.72
Assets held for sale	9	99,516.14	99,516.14
Total assets		4,40,442.28	4,91,693.71
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	7,502.24	7,502.24
Other equity	11	(77,353.23)	(67,811.93)
		(69,850.99)	(60,309.69)
Non-current liabilities			
Financial liabilities			
- Borrowings	12	-	100.00
Other non-current liabilities	13	639.50	1,010.03
		639.50	1,110.03
Current liabilities			
Financial liabilities			
- Other financial liabilities	14	3,039.51	2,551.45
- Borrowings	15	1,72,744.20	2,12,391.65
Other current liabilities	16	3,33,870.06	3,35,950.27
		5,09,653.77	5,50,893.37
Total equity and liabilities		4,40,442.28	4,91,693.71

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **NSVM & Associates**
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Concord India Private Limited

D N Sree Hari
Partner
Membership number: 027388

D Vijayakumar
Director
DIN: 00036772

Shaina Ganapathy
Director
DIN: 01777973

Place: Bengaluru
Date: 03 July 2020

F - 902 Place: Bengaluru
Date: 03 July 2020

Place: Bengaluru
Date: 03 July 2020

Concord India Private Limited
CIN: U51101KA1973PTC002298

Statement of profit and loss

(All amounts are in thousands unless otherwise stated)

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
INCOME			
Other income	17	442.48	1,343.05
		442.48	1,343.05
EXPENSES			
Finance costs	18	-	24,488.22
Other expenses	19	9,983.78	16,160.84
		9,983.78	40,649.06
Loss before tax		(9,541.29)	(39,306.01)
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
Income tax expense		-	-
Other comprehensive income		-	-
Total comprehensive loss for the year		(9,541.29)	(39,306.01)
Loss per share (equity shares, par value Rs 10 each)	22		
- basic and diluted			
Class A equity shares		-	(52.39)
Class B equity shares		-	(52.39)
Equity shares		(12.72)	-
Significant accounting policies	3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Concord India Private Limited

D N Sree Hari

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 00036772

Shaina Ganapathy

Director

DIN: 01777973

Place: Bengaluru

Date: 03 July 2020

Place: Bengaluru

Date: 03 July 2020

Place: Bengaluru

Date: 03 July 2020

Concord India Private Limited
CIN: U51101KA1973PTC002298

Cashflow Statement

(All amounts are in thousands unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flow from operating activities:		
Loss before tax	(9,541.29)	(39,306.01)
Adjustments:		
- Guarantee fee income	(442.48)	(495.14)
- Interest expenses	-	24,488.22
Operating loss before working capital changes	(9,983.79)	(15,312.93)
Changes in		
- Other current assets	(2.65)	927.24
- Other financial liabilities	488.06	451.23
- Other current liabilities	(2,008.25)	57.78
Cash (used in) operations	(11,506.63)	(13,876.68)
Income-taxes (paid) /received, net	-	(2,584.19)
Net cash (used in) operating activities	(11,506.63)	(16,460.87)
Cash flow from investing activities	-	-
Net cash generated from investing activities	-	-
Cash flow from financing activities:		
Proceeds from borrowings	5,252.55	22,150.26
Repayment of borrowings	-	(69.01)
Interest received	-	2,584.19
Net cash generated from financing activities	5,252.55	24,665.44
Net increase / (decrease) in cash and cash equivalents	(6,254.09)	8,204.57
Cash and cash equivalents at the beginning of the year (refer note 6)	8,730.72	526.15
Cash and cash equivalents at the end of the year	2,476.63	8,730.72
Cash and cash equivalents comprise of:		
-Cash and bank balances (refer note 6)	2,476.63	8,730.72
	2,476.63	8,730.72

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Concord India Private Limited

D N Sree Hari

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 00036772

Shaina Ganapathy

Director

DIN: 01777973

Place: Bengaluru

Date: 03 July 2020

Place: Bengaluru

Date: 03 July 2020

Place: Bengaluru

Date: 03 July 2020

Concord India Private Limited
CIN: U51101KA1973PTC002298

Statement of changes in equity

(All amounts are in thousands, except for share data or as stated)

(A) Equity share capital	Amount
Balance as at 1 April 2018	7,502.24
Add: Issue of shares	-
Balance as at 31 March 2019	7,502.24
Balance as at 1 April 2019	7,502.24
Add: Issue of shares	-
Balance as at 31 March 2020	7,502.24

(B) Other equity

For the year ended 31 March 2020						
Particulars	Share Warrants	Equity component of interest-free loans taken	Equity component of deferred guarantee	Reserves and Surplus		Total other equity
				Securities premium	Retained earnings	
Balance as at 1 April 2019	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,31,236.05)	(67,811.93)
Profit or (loss) for the year	-	-	-	-	(9,541.29)	(9,541.29)
Total comprehensive income	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,40,777.36)	(77,353.23)
Balance as at 31 March 2020	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,40,777.36)	(77,353.23)

For the year ended 31 March 2019						
Particulars	Share Warrants	Equity component of interest-free loans taken	Equity component of deferred guarantee	Reserves and Surplus		Total other equity
				Securities premium	Retained earnings	
Balance as at 1 April 2018	200.00	1,74,062.91	-	2,06,614.75	(3,91,930.04)	(11,052.38)
Profit or (loss) for the year	-	-	-	-	(39,306.01)	(39,306.01)
Total comprehensive income	200.00	1,74,062.91	-	2,06,614.75	(4,31,236.05)	(50,358.39)
Transactions recorded directly in equity						
- equity portion of corporate guarantee	-	-	(1,947.64)	-	-	(1,947.64)
- interest free loan repaid during the year	-	(15,505.89)	-	-	-	(15,505.88)
Balance as at 31 March 2019	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,31,236.05)	(67,811.93)

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of
Concord India Private Limited

D N Sree Hari

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 00036772

Shaina Ganapathy

Director

DIN: 01777973

Place: Bengaluru

Date: 03 July 2020

Place: Bengaluru

Date: 03 July 2020

Place: Bengaluru

Date: 03 July 2020

1 Company background

Concord India Private Limited ("CIPL" or "the Company"), is a private limited company incorporated on 15 February 1973 as a public limited company and was later converted into a private limited company on 9 April 2008. The Company has been formed primarily for the purpose of real estate development. The Company is a subsidiary of Embassy Property Developments Private Limited, a private limited company.

2 Basis of preparation of financial statements

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 03 July 2020
Details of the Company's accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

2.3 Use of going concern assumptions

The Company's financial statements have been prepared on a going concern basis. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on financial support committed to the Company by the holding company, Embassy Property Developments Private Limited, as well as the market value of the underlying leasehold land held by the Company.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.5 Use of estimates and judgements

In preparing these financial statements, management has made judgements estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Formation about judgements, estimates and assumptions in applying the accounting policies that have a significant effect on the amount recognised in the financial statements are included in the following note:

- note 4: Classification of leasehold land as investment property

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a management oversight that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognizes transfers between levels of fair value hierarchy at the end of the year during which the change has occurred.

3 Significant accounting policies

3.1 Impairment of assets

The Company recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is 90 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The Company's non-financial assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

3.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, inclusive of GST and net of taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Lease/sub-lease rental income is recognised when right to receive such income is established in accordance with the terms of the contract with the clients

3.3 Recognition of, interest income or expense

Interest expense/ income is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortized cost of financial instrument.

In calculating interest expense, the effective interest rate is applied to the amortized cost of the liability.

3 Significant accounting policies (continued)

3.4 Guarantee income

Financial guarantees issued by the company are recognised initially at fair value, and the financial guarantee is recognised in P&L over the tenure of the guarantee.

3.5 Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.6 Investment Property

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued

3.7 Financial Instruments

a). Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3 Significant accounting policies (continued)

3.7 Financial Instruments (Continued)

b) Classification and subsequent measurement (continued)

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for Derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on Derecognition is also recognized in profit or loss.

c) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

3 Significant accounting policies (continued)

3.7 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and amortized cost.

At initial recognition, the Company measures a financial liability at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortized cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3.8 Low Interest and interest free loans

For all loans which are offered at a below-market rate or interest free, the Company considers the following aspects:

- All the terms and conditions of the loan
- Local market circumstances and the industry practice
- Interest rates currently charged by or offered to the entity for loans with similar risks and characteristics.

As per Ind AS 109, the Company recognizes all financial instruments including interest free loans, on initially recognition at their fair value.

Ind AS 109 requires the difference between the transaction price and the fair value of a low-interest or interest free loan to be recognised as a gain or loss (if the fair value is based on observable inputs), unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan.

On fair valuation of an interest-free loan from a parent to a subsidiary, the 'other component' being the difference between the fair value and the face value of the loan are considered as an equity infusion ('other equity') by the parent.

3 Significant accounting policies (continued)

3.9 Non-current assets held for sale

Non current assets, comprising of assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through a sale transaction rather than continuing use.

Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and issues on re- measurement are recognised in profit and loss.

Once classified as asset held for sale such investment property are no longer depreciated.

3.10 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3.11 Provisions and contingent liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

3.12 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

3 Significant accounting policies (continued)

3.14 Earnings per share

The basic earnings/(loss) per share is computed by dividing the net profit/ (loss) attributable to owner's of the company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3.15 Operating segments

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in a business of real estate development and has no other primary reportable segments. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segments assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the financial statements for the year ended 31 March 2020 and as on that date. As the Company operates in India only, hence no separate geographical segment is disclosed.

3.16 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.17 Recent accounting pronouncements (Standards effective from 1st April, 2020)

(A) Issue of Ind AS 117

Insurance Contracts Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk. Application of this standard is not expected to have any impact on the Company's financial statements.

(B) Amendments to existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 103 – Business Combination
2. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 40 – Investment Property

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

4 Investment property

Description	Tangible Assets	Total
	Leasehold land (refer note -i)	
<u>Cost or deemed cost</u>		
Balance as at 1 April 2018	3,35,762.66	3,35,762.66
Additions during the year	-	-
Balance as at 31 March 2019	3,35,762.66	3,35,762.66
Balance as at 1 April 2019	3,35,762.66	3,35,762.66
Additions during the year	-	-
Balance as at 31 March 2020	3,35,762.66	3,35,762.66
<u>Depreciation and impairment losses</u>		
Balance as at 1 April 2018	-	-
Depreciation for the year	-	-
Balance as at 31 March 2019	-	-
Balance as at 1 April 2019	-	-
Depreciation for the year	-	-
Balance as at 31 March 2020	-	-
<u>Carrying amount:</u>		
Balance as at 31 March 2019	3,35,762.66	3,35,762.66
Balance as at 31 March 2020	3,35,762.66	3,35,762.66
<u>Fair value (refer note ii below)</u>		
Balance as at 31 March 2019	1,39,79,000	1,39,79,000
Balance as at 31 March 2020	2,20,91,000	2,20,91,000

Note:

i) Amounts recognised in profit and loss for:

	31-Mar-20	31-Mar-19
Rental income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) generating rental income	(6,264.51)	(5,647.81)
Loss arising from investment properties before depreciation and indirect expenses	(6,264.51)	(5,647.81)
Less: Depreciation	-	-
Loss arising from investment properties	(6,264.51)	(5,647.81)

ii) Fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the non-availability of the business plan for the property, the external independent valuer has used "Income Approach- Discounted cash flow method" method approach for assessing the fair value of the property.

The "Income Approach- Discounted cash flow method" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable. Using this valuation method, future cash flows from the property are forecasted using precisely stated assumptions. This method allows for the explicit modelling of income associated with the property. These future financial benefits are then discounted to a present day value at an appropriate discount rate.

4 Investment property (continued)

Note (continued):

iii) Restriction on realisability

a) Karnataka Industrial Area Development Board (KIADB) has allotted 78.2219 acres of land to the Company on lease-cum-sale basis. Of the above, 58 acres of land is leased for a period of 20 years and 20.2219 acres is for a period of 11 years. The allotment is to develop infrastructure facilities for IT/ITES companies. In accordance with the terms of agreement with KIADB, a consideration of Rs 398,762.84 thousands has been paid to KIADB and Rs 33,700.58 thousands towards stamp duty. The agreement gives a right to the Company to acquire land at the end of the lease term for no additional consideration. However, if KIADB incurs any further cost towards settlement to the previous owners, KIADB has the right to recover the additional consideration from the Company. During the period of the lease term till transfer of ownership, the Company is required to pay a nominal rent of Rs 78,550 per annum. As at the balance sheet date, as KIADB has not intimated any additional consideration, the Management believes that no further cost is required to be paid to KIADB.

The above land includes 18 acres of land which has been sub-leased to a party for a total consideration of Rs 333,234 thousand under a lease cum sale agreement. Accordingly, the proportionate cost of such 18 acres of land has been classified as assets held for sale - refer note 9 to the financial statements.

b) The aforementioned parcel of land was subject to litigation between the Range Forest Officer, Bangalore and the Company. The Range Forest Officer had issued notice vide No. 176/2007-2008 to the Company alleging that the land allotted by KIADB to the Company is a forest land and the Company is in unauthorised occupation of the forest land. Aggrieved by the said notice, the Company had filed a writ petition before the Honourable High Court of Karnataka appealing for quashing of the said notice issued by the Forest Department. The Honourable High Court of Karnataka on 25 May 2012 has allowed the writ petition no. 7200/2008 filed by the Company confirming that the land allotted by KIADB is not a forest land. Aggrieved by the said order dated 25 May 2012, the Forest Department has filed an appeal vide W.A. 4283/2012 before the Honourable High Court of Karnataka. The Company has also filed an appeal vide W.A. 4205/2012 seeking certain clarifications on certain observations made in the order dated 25 May 2012. The Honourable High Court of Karnataka, on 23 July 2019 has dismissed the appeal filed by the Forest Department vide W.A. 4283/2012 and also disposed of the appeal filed by the Company vide W.A. 4205/2012.

Notes to the financial statements

(All amounts are in thousands unless otherwise stated)

Non-current assets

5 Other non-current assets

Particulars	As at March 31, 2020	As at March 31,2019
<i>Unsecured, considered good</i>		
Capital Advance		
- Advances paid for purchase of land	-	45,000.00
Advance other than capital advances		
- Advance Tax net of provision for tax	2,584.19	2,584.19
	2,584.19	47,584.19

Current financial assets

6 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31,2019
Balances with banks		
- in current accounts	2,476.63	8,730.72
	2,476.63	8,730.72

7 Other current financial assets

Particulars	As at March 31, 2020	As at March 31,2019
Advance recoverable	6,821.00	6,873.50
	6,821.00	6,873.50
Less: Allowance for doubtful advances	(6,821.00)	(6,873.50)
	-	-

8 Other current assets

Particulars	As at March 31, 2020	As at March 31,2019
Advances for rendering of services	102.66	100.00
	102.66	100.00

9 Assets held for sale

The Company has entered into an agreement with Mandava Holdings Private Limited for sub-lease cum sale of 18 acres of the total 78 acres of land obtained on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB) for a total consideration of ₹ 333,324.00 thousands which has already been received by the Company.

As at the balance sheet date, the assets held for sale has been stated at carrying amount (being lower of cost and agreed sub-lease-cum sale value). Completion of the transaction is dependent on obtaining an NOC from KIADB for sublease of the said land.

Particulars	As at March 31, 2020	As at March 31,2019
Investment Property held for sale	99,516.14	99,516.14
	99,516.14	99,516.14

10 Share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised capital		
765,000 (Previous year: 765,000) class A equity shares of Rs 10 each	-	7,650.00
735,000 (Previous year: 735,000) class B equity shares of Rs 10 each	-	7,350.00
15,00,000 (Previous year: 7,65,000 Class A and 7,35,000 Class B) Equity shares of Rs.10 each	15,000.00	-
	15,000.00	15,000.00
Issued, subscribed and paid up		
382,614 (Previous year: 382,614) class A equity shares of Rs 10 each, fully paid up	-	3,826.14
367,610 (Previous year: 367,610) class B equity shares of Rs 10 each, fully paid up	-	3,676.10
750,224 Equity shares of Rs. 10 each, fully paid up	7,502.24	-
	7,502.24	7,502.24

(a) Shareholders holding more than 5 percent of shares in the Company :

Name of the share holder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% holding	No. of shares	% holding
Equity shares				
<i>Class A equity shares of Rs 10 each</i>				
Embassy Property Developments Private Limited, (holding company)	3,82,614	0%	3,82,614	100%
<i>Class B equity shares of Rs 10 each</i>				
Florence Investments Limited (Mauritius)	3,67,610	0%	3,67,610	100%
<i>Equity shares of Rs. 10 each</i>				
Embassy Property Developments Private Limited, (holding company)	3,82,614	51%	-	-
Florence Investments Limited (Mauritius)	3,67,610	49%	-	-

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as given below:**Class A equity shares of Rs 10 each:**

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	3,82,614	3,826.14	3,82,614	3,826.14
Number of equity shares issued during the year	-	-	-	-
Number of equity shares ceased to exist during the year due to alignment of class of shares	(3,82,614)	(3,826.14)	-	-
Number of equity shares outstanding at the end of the year	-	-	3,82,614	3,826.14

Class B equity shares of Rs 10 each:

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	3,67,610	3,676.10	3,67,610	3,676.10
Number of equity shares issued during the year	-	-	-	-
Number of equity shares ceased to exist during the year due to alignment of class of shares	(3,67,610)	(3,676.10)	-	-
Number of equity shares outstanding at the end of the year	-	-	3,67,610	3,676.10

Equity shares of Rs 10 each:

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	-	-	-	-
Number of equity shares introduced during the year due to change in nature	7,50,224	7,502.24	-	-
Number of equity shares outstanding at the end of the year	7,50,224	7,502.24	-	-

(c) Rights, entitlements and obligations of different classes of shares

Effective 22 August 2008, the Company entered into a tripartite Shareholders Agreement ("the Agreement") with its shareholders i.e. Embassy Property Developments Private Limited and Florence Investments Limited ("the Shareholders"). The significant terms of the Agreement and the rights of Shareholders are mentioned hereunder:

Embassy Property Developments Private Limited shall hold 382,614 class A equity shares of Rs 10 each carrying 51% voting rights and 98% economic interest in the Company. Florence Investments Limited shall hold 367,610 class B equity shares of Rs 10 each carrying 49% voting rights and 2% economic interest in the Company. During the year ended March 31, 2020, the Company has amended the Articles of Association by passing a special resolution in the EGM held on 13 December 2019 to align the economic interest of the shareholders in the proportion of the shareholding of the respective members. Consequently Effective 07 January 2020, the Company entered into a tripartite Shareholders Agreement ("the Agreement") with its shareholders i.e. Embassy Property Developments Private Limited and Florence Investments Limited ("the Shareholders").

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Buy back of shares and shares allotted by way of bonus shares

The Company has not allotted any fully paid up equity shares by way of bonus shares nor has it bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has it issued shares for consideration other than cash.

11 Other Equity

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium		
At the commencement of the year	2,06,614.75	2,06,614.75
Add: Additions during the year	-	-
At the end of the year	2,06,614.75	2,06,614.75
Retained earnings		
At the commencement of the year	(4,31,236.05)	(3,91,930.05)
Add: Additions during the year	(9,541.29)	(39,306.01)
At the end of the year	(4,40,777.35)	(4,31,236.05)
Share warrants (refer note below)		
At the commencement of the year	200.00	200.00
Add: Additions during the year	-	-
At the end of the year	200.00	200.00
Equity component of interest-free loans taken		
At the commencement of the year	1,58,557.02	1,74,062.91
Add: Additions during the year	-	(15,505.89)
At the end of the year	1,58,557.02	1,58,557.02
Equity component of deferred guarantee income		
At the commencement of the year	(1,947.64)	-
Add: Additions during the year	-	(1,947.64)
At the end of the year	(1,947.64)	(1,947.64)
	(77,353.22)	(67,811.93)

Notes:**(a) Share Warrants**

The share warrants are held by Embassy Property Developments Private Limited, the holding company. The share warrants entitle the warrant holders to subscribe to an aggregate of 100,000 fully paid class B equity shares of Rs 10 each at a premium of Rs 10 each.

(b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(c) Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the statement of profit and loss to the retained earnings.

(d) Other component of equity

It represents the equity component arising on fair valuation of the guarantee provided for the loan availed by Embassy Property Developments Private Limited and Interest free loans taken as required under Ind AS 109 Financial Instruments.

Non-current financial liabilities**12 Non-current borrowings**

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured:		
Preference shares		
9% non-cumulative redeemable preference shares (refer note A below)	-	100.00
	-	100.00

9% non- cumulative redeemable preference shares are redeemable on 31 December 2020. 1,000 (Previous year: 1,000) 9% non-cumulative redeemable preference shares of Rs 100 each

13 Other non-current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred guarantee income	639.50	1,010.03
	639.50	1,010.03

Current financial liabilities**14 Other current financial liabilities**

Particulars	As at 31 March 2020	As at 31 March 2019
Payable for expenses to micro, small and medium enterprises	1,575.45	488.51
Payable for expenses other than micro, small and medium enterprises	1,464.06	2,062.90
	3,039.51	2,551.43
Refer Note no:25		

15 Current borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured:		
Preference shares*		
9% non-cumulative redeemable preference shares (refer note A below)	100.00	-
Loans from related parties(Refer Note no:23)		
- loan from holding company	1,17,000.00	1,13,747.45
- loan from group company	55,644.20	98,644.20
	1,72,744.20	2,12,391.65

*9% non- cumulative redeemable preference shares are redeemable on 31 December 2020.1,000 (Previous year: 1,000) 9% non-cumulative redeemable preference shares of Rs 100 each.

16 Current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance received for sub-lease of land (refer note 9)	3,33,234.00	3,33,234.00
Advance received for sale of property	-	2,000.00
Others		
- statutory dues	265.51	273.79
Deferred guarantee income	370.53	442.48
	3,33,870.04	3,35,950.27

17 Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Refund of service tax including interest	-	847.91
Gurantee fee income (refer note 23)	442.48	495.14
	442.48	1,343.05

18 Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense		
- finance costs (unwinding of discount)	-	24,488.22
	-	24,488.22

19 Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Legal and professional (refer note 21)	3,699.88	3,618.54
Security charges	4,915.17	4,408.45
Rates and taxes	1,278.94	1,173.71
Rent (refer note 4(iii))	78.55	78.55
Provision for doubtful advances	-	6,873.50
Miscellaneous	11.25	8.10
	9,983.78	16,160.84

20 Commitments and contingent liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Contingent liabilities		
The Company has given its leasehold land, i.e. investment property as an exclusive security for a loan taken by Embassy Property Developments Private Limited. The outstanding as at 31 March 2020 is ₹ 53,11,005.05 thousands.		
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-

21 Auditors' remuneration (excluding GST, included in legal and professional fees)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Statutory audit fees	400.00	400.00
Reimbursement of expenses	-	27.15
	400.00	427.15

22 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders (after adjusting for saving in interest or dividend expenses, net of taxes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Comprehensive loss for the year attributable to equity shareholders**		
- Class A (Mar-19 - representing 98% of economic interest)	-	(20,046.06)
- Class B (Mar-19 - representing 2% of economic interest)	-	(19,259.95)
- Equity shares	(9,541.29)	-
Weighted average number of equity shares outstanding during the year		
<i>Equity shares of Rs 10 each, fully paid</i>		
- basic		
- Class A	-	3,82,614
- Class B	-	3,67,610
- Equity shares	7,50,224	-
Earnings/ (loss) per share – basic		
- Class A (Rs)	-	(52.39)
- Class B (Rs)	-	(52.39)
- Equity shares	(12.72)	-
- dilutive		
- Class A	-	3,82,614
- Class B [including share warrants] *	-	3,67,610
- Equity shares	7,50,224	-
Earnings/ (loss) per share – dilutive		
- Class A (Rs)	-	(52.39)
- Class B (Rs)	-	(52.39)
- Equity shares	(12.72)	-

*The effect of share warrants are anti-dilutive in nature.

Notes to the financial statements

(All amounts are in thousands unless otherwise stated)

23 Related parties disclosures

(i) Names of related parties and description of relationship

Enterprises where control exists

Ultimate holding company	JV Holdings Private Limited
Intermediate holding company	Embassy Property Developments Private limited

Other related parties with whom transactions have taken place during the year

Fellow subsidiary Udhyaman Investments Private Limited

Key management personnel Vijayakumar Dharmalingam
Shaina Ganapathy

(ii) Related party transactions

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current borrowings - received/(repaid)		
- Embassy Property Developments Private Limited	3,252.55	(1,18,904.54)
- Udhyaman Investments Private Limited	(43,000.00)	98,644.20
Equity component of interest free loans - received/(repaid)		
- Embassy Property Developments Private Limited	-	(15,505.89)
Equity component of guarantee fee income - received/(repaid)		
- Embassy Property Developments Private Limited	-	1,947.64
Guarantee fee income		
- Embassy Property Developments Private Limited	(442.48)	(495.14)
Interest expense		
- Embassy Property Developments Private Limited	-	13,112.53
- Udhyaman Investments Private Limited	-	11,375.69

(iii) Amounts outstanding as at the balance sheet date:

Particulars	As at 31 March 2020	As at 31 March 2019
Liability component of interest free loans - Current borrowings		
- Embassy Property Developments Private Limited	1,17,000.00	1,13,747.45
- Udhyaman Investments Private Limited	55,644.20	98,644.20
Other equity component of guarantee fee income		
- Embassy Property Developments Private Limited	(1,947.64)	(1,947.64)
Liability component of guarantee income		
- Embassy Property Developments Private Limited	1,010.03	1,452.51

The Company has given its leasehold land as a secondary security for a loan of ₹ 10,000,000 thousands taken by Embassy Property Developments Private Limited, the holding company.

Note

Transactions with related parties have been shown after giving effect to the impact of reclassifications into liability and equity and adjustments arising on account of effective interest rate method under Ind AS.

There was no managerial remuneration payable/paid to directors during the year (previous year: Nil).

24 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "real estate development"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considered necessary. The Company operates only in India. Hence no disclosure is considered necessary. However, the Company has not commenced its operations as at the year end.

Notes to the financial statements

(All amounts are in thousands unless otherwise stated)

- 25 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 has been made in the financial statements based on information received and available with the Company. The Company does not have any interest dues to micro and small enterprises as at 31 March 2020 (31 March 2019 - Nil):

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	1,575.45	488.51
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year.

26 Tax expense

A. Amounts recognised in statement of profit or loss:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax		
Current income tax charge	-	-
Deferred tax		
<i>Attributable to-</i>		
Origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	-	-

B Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit/ loss before income tax	(9,541.29)	(39,306.01)
Domestic tax rate	26.00%	26.00%
Tax using the Company's domestic tax rate	(2,480.74)	(10,219.56)
Effect of		
Guarantee Income	(115.05)	(128.74)
Finance Cost	-	6,366.94
Provision for doubtful debts (reversal)/creation	(13.65)	1,787.11
Interest on TDS	-	0.78
Current year losses for which no deferred tax asset is recognised	2,609.43	2,193.47
Income tax expense	-	-

Notes to the financial statements

(All amounts are in thousands unless otherwise stated)

Details of deferred tax

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities		
Deferred tax liability on Interest free loans	-	16,600.92
Deferred tax assets		
Tax losses	-	(16,600.92)
	-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	As at 31 March 2020	As at 31 March 2019
Unused tax losses	2,28,580.89	2,18,544.62
	2,28,580.89	2,18,544.62

- 27 On 6th July 2018, the company has provided leasehold land of 60 acres held by the company as a security for loan taken by a Private Limited Company in which a director is interested, as per the requirement of Section 185 of the Companies Act, 2013, No company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person whom a directly is interested. Accordingly the aforesaid guarantee given by the company is not in compliance with the requirement of the Act. However, the above guarantee is outstanding as on the Balance Sheet date.
- 28 The Company outsources its manpower and technology assistance requirements and does not have any employees on its rolls and hence does not incur any employee related benefits/ costs.
- 29 The Company did not have any income or expenditure in foreign currency during the current year and the previous year.
- 30 **Expenditure on Corporate Social Responsibility activities**
Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2020 and 31 March 2019.

Notes to the financial statements

(All amounts are in thousands unless otherwise stated)

31 Financial instruments

The carrying value and fair value of financial instruments by categories are as below:

	Carrying value		Fair value	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Financial assets				
Amortised cost				
Cash and cash equivalents	2,476.63	8,730.72	-	-
Total assets	2,476.63	8,730.72	-	-
Financial liabilities				
Amortised cost				
Borrowings	1,72,744.20	2,12,491.65	-	-
Other financial liabilities	3,039.51	2,551.43	-	-
Total liabilities	1,75,783.71	2,15,043.08	-	-

The management assessed that the carrying value of cash and cash equivalents, loans and advances, advance recoverable and interest accrued approximate their fair value largely due to the short term nature.

Notes to the financial statements

(All amounts are in thousands unless otherwise stated)

32 Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- liquidity risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Company's cash and cash equivalents and loans. The carrying amount of financial assets represents the maximum credit

Cash and cash equivalents

The Company holds cash and cash equivalents of ₹ 2,476.61 thousands at 31 March 2020 (31 March 2019: ₹ 8,730.72 thousand). The cash and cash equivalents are mainly held with banks which are highly rated. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

(b) Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company operates domestically. There are no foreign exchange transactions in the year of reporting.

(ii) Interest rate risk

The Company's borrowings represents loan from related party and the same is interest free. Accordingly the Company does not have any interest rate

(d) Liquidity Risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Carrying value	Contractual cash flows			
		Total	1 year or less	1 year to 3 years	3 to 5 years more than 5 years
31 March 2020					
Borrowings	1,72,744.20	1,72,744.20	1,72,744.20	-	-
Other financial liabilities	3,039.51	3,039.51	3,039.51	-	-
	1,75,783.71	1,75,783.71	1,75,783.71	-	-
31 March 2019					
Borrowings	2,12,491.65	2,12,491.65	2,12,391.65	100.00	-
Other financial liabilities	2,551.43	2,551.43	2,551.43	-	-
	2,15,043.07	2,15,043.07	2,14,943.07	100.00	-

Notes to the financial statements

(All amounts are in thousands unless otherwise stated)

33 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening balance 1 April 2019	Cash flows		Non cash movement		Closing balance 31 March 2020
		Proceeds	Repayments	Repayments adjusted with loans and advances	(including fair value changes)	
Proceeds from borrowings	2,12,491.65	5,252.55	-	(45,000.00)	-	1,72,744.20
Total changes from movement in financing activity	2,12,491.65	5,252.55	-	(45,000.00)	-	1,72,744.20

34 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a ratio of net adjusted debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising trade payables and other liabilities less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2020 was as follows.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	As at	
	31 March 2020	31 March 2019
Total liabilities	5,10,293.27	5,52,003.40
Less: Cash and cash equivalents	2,476.63	8,730.72
Adjusted net debt	5,07,816.64	5,43,272.67
Total equity	(69,850.99)	(60,309.69)
Adjusted equity	(69,850.99)	(60,309.69)
Adjusted net debt to equity ratio	(7.27)	(9.01)

35 Previous year figures have been regrouped / reclassified, where necessary, to confirm to current year's classification.

36 Impact of COVID 19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of the assets will be recovered. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings in view of COVID – 19 as at the date of approval of these financial statements. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

37 The financial statements of the Company for the year ended 31 March 2019 have been audited by M/s.BSR & Associates LLP .

As per our report of even date attached

for NSVM & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Concord India Private Limited

D N Sree Hari
Partner
Membership number: 027388

D Vijayakumar
Director
DIN: 00036772

Shaina Ganapathy
Director
DIN: 01777973

Place: Bengaluru
Date: 03 July 2020

Place: Bengaluru
Date: 03 July 2020

Place: Bengaluru
Date: 03 July 2020

INDEPENDENT AUDITORS' REPORT

To the Members of Concord India Private Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Concord India Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis of qualified opinion paragraph, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) As stated in note 27 to the standalone financial statements, the Company has:
- i) received an additional loan of Rs 22,150.26 thousands from its holding company during the financial year 2018-19 (aggregate gross outstanding of Rs 113,747.46 thousands as at 31 March 2019); and
 - ii) provided leasehold land held by it as a security for loan taken by the holding company from a bank;

in which a director is interested. As per the requirements of section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a director is interested. Accordingly the aforementioned loan received and security given by the Company is not in compliance with the requirements of the Act. Impact of this non-compliance has not been quantified by the Company.

- b) As stated in note 29 to the standalone financial statements, the Company has advanced a sum of Rs 45,000.00 thousands towards an unrelated party (seller) for purchase of land. However, as of date, the transaction has not been consummated and there is no balance confirmation provided by the seller. While Management continues to represent that these advances are recoverable, considering the elapse of time and considering that these advances are not secured, we are unable to comment on the recoverability of these amounts and the consequent impact, if any on the financial statements for the year ended 31 March 2019.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the standalone Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Concord India Private Limited
Independent Auditor's Report (Continued)

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and our Auditor's report thereon. The Company's directors' report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

Concord India Private Limited
Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. The report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.

Concord India Private Limited
Independent Auditor's Report (Continued)

Report on Other Legal and Regulatory Requirements (continued)

2. As required by Section 143(3) of the Act, we report that:

- a) Expect for the matter stated in the qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, expect for the matter stated in the qualified opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, expect for the matter stated in the qualified opinion paragraph, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The Company has been exempted from the requirement of its Auditor reporting on whether the company has adequate internal financial control system in place and the operating effectiveness of such control as per clause (i) of section 143(3); and
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 4 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

Concord India Private Limited
Independent Auditor's Report (Continued)

Report on Other Legal and Regulatory Requirements (continued)

h) With respect to the matter to be included in the Auditor's Report under Section 197(16):

The Company is a private limited company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

Rushank Muthreja

Partner

Sd/-_____

Membership No: 211386

Unique Identification Document Number: 19211386AAAABP1186

Place: Bangalore

Date: 21 August 2019

Concord India Private Limited
CIN: U51101KA1973PTC002298
Balance sheet

		Rs in thousands	
		As at	As at
	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Investment property	4	3,35,762.66	3,35,762.66
Other non-current assets	5	47,584.19	45,000.00
Total non-current assets		3,83,346.85	3,80,762.66
Current assets			
Financial assets			
- Cash and cash equivalents	6	8,730.72	526.15
- Loans	7	-	1,33,234.00
- Other financial assets	8	-	25,841.88
Other current assets	9	100.00	1,027.24
Total current assets		8,830.72	1,60,629.27
Assets held for sale	10	99,516.14	99,516.14
Total assets		4,91,693.71	6,40,908.07
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	7,502.24	7,502.24
Other equity	12	(67,811.92)	(11,052.38)
		(60,309.68)	(3,550.14)
Non-current liabilities			
Financial liabilities			
- Borrowings	13	100.00	3,06,907.97
Other non-current liabilities	14	1,010.03	-
		1,110.03	3,06,907.97
Current liabilities			
Financial liabilities			
- Other financial liabilities	15	2,551.44	2,100.23
- Borrowings	16	2,12,391.65	-
Other current liabilities	17	3,35,950.27	3,35,450.01
		5,50,893.36	3,37,550.24
Total equity and liabilities		4,91,693.71	6,40,908.07

Significant accounting policies 3
The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **BSR & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Concord India Private Limited

Rushank Muthreja
Partner
Membership number: 211386

D Vijayakumar
Director
DIN: 00036772

Shaina Ganapathy
Director
DIN: 01777973

Place: Bengaluru
Date: 21st August, 2019

F - 932 Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

Concord India Private Limited
CIN: U51101KA1973PTC002298
Statement of profit and loss

			Rs in thousands
	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
INCOME			
Other income	18	1,343.05	-
		1,343.05	-
EXPENSES			
Finance costs	19	24,488.22	35,296.49
Other expenses	20	16,160.84	7,554.28
		40,649.06	42,850.77
Loss before tax		(39,306.01)	(42,850.77)
Tax expense:			
- Current tax	30	-	-
- Deferred tax		-	-
Income tax expense		-	-
Other comprehensive income		-	-
Total comprehensive loss for the year		(39,306.01)	(42,850.77)
Loss per share (equity shares, par value Rs 10 each)	23		
- basic and diluted			
Class A equity shares		(100.68)	(109.75)
Class B equity shares		(2.14)	(2.33)
Significant accounting policies	3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Concord India Private Limited

Rushank Muthreja
Partner
Membership number: 211386

D Vijayakumar
Director
DIN: 00036772

Shaina Ganapathy
Director
DIN: 01777973

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

(A) Equity share capital	Rs in thousands
Balance as at 1 April 2017	7,502.24
Add: Issue of shares	-
Balance as at 31 March 2018	7,502.24
Balance as at 1 April 2018	7,502.24
Add: Issue of shares	-
Balance as at 31 March 2019	7,502.24

(B) Other equity

For the year ended 31 March 2019					Rs in thousands	
Particulars	Share Warrants	Equity component of interest-free loans taken	Equity component of deferred guarantee income	Reserves and Surplus		Total other equity
				Securities premium	Retained earnings	
Balance as at 1 April 2018	200.00	1,74,062.91	-	2,06,614.75	(3,91,930.04)	(11,052.38)
Profit or loss	-	-	-	-	(39,306.01)	(39,306.01)
Total comprehensive income	200.00	1,74,062.91	-	2,06,614.75	(4,31,236.05)	(50,358.39)
Transactions recorded directly in equity						
- equity portion of corporate guarantee	-	-	(1,947.64)	-	-	(1,947.64)
- interest free loan repaid during the year	-	(15,505.89)	-	-	-	(15,505.89)
Balance as at 31 March 2019	200.00	1,58,557.02	(1,947.64)	2,06,614.75	(4,31,236.05)	(67,811.92)

For the year ended 31 March 2018					Rs in thousands	
Particulars	Share Warrants	Equity component of interest-free loans taken	Equity component of deferred guarantee income	Reserves and Surplus		Total other equity
				Securities premium reserve	Retained earnings	
Balance as at 1 April 2017	200.00	1,72,110.85	-	2,06,614.75	(3,49,079.27)	29,846.33
Profit or loss	-	-	-	-	(42,850.77)	(42,850.77)
Total comprehensive income	200.00	1,72,110.85	-	2,06,614.75	(3,91,930.04)	(13,004.44)
Transactions recorded directly in equity						
- interest free loan received during the year	-	1,952.06	-	-	-	1,952.06
Balance as at 31 March 2018	200.00	1,74,062.91	-	2,06,614.75	(3,91,930.04)	(11,052.38)

Significant accounting policies

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W / W-100024

for and on behalf of the Board of Directors of
Concord India Private Limited

Rushank Muthreja
Partner
Membership number: 211386

D Vijayakumar
Director
DIN: 00036772

Shaina Ganapathy
Director
DIN: 01777973

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

Concord India Private Limited
CIN: U51101KA1973PTC002298
Cash flow statement

	For the year ended 31 March 2019	Rs in thousands For the year ended 31 March 2018
Cash flow from operating activities:		
Loss before tax	(39,306.01)	(42,850.77)
Adjustments:		
- Guarantee fee income	(495.14)	-
- Interest expenses	24,488.22	35,296.49
Operating loss before working capital changes	(15,312.93)	(7,554.28)
Changes in		
- Other current assets	927.24	(927.24)
- Other financial liabilities	451.23	(674.31)
- Other current liabilities	57.78	92.48
Cash (used in) operations	(13,876.68)	(9,063.35)
Income-taxes (paid) /received, net	(2,584.19)	-
Net cash (used in) operating activities	(16,460.87)	(9,063.35)
Cash flow from investing activities	-	-
Net cash generated from investing activities	-	-
Cash flow from financing activities:		
Proceeds from borrowings	22,150.26	9,000.90
Repayment of borrowings	(69.01)	(10.00)
Interest received	2,584.19	-
Net cash generated from financing activities	24,665.44	8,990.90
Net increase / (decrease) in cash and cash equivalents	8,204.57	(72.45)
Cash and cash equivalents at the beginning of the year (refer note 6)	526.15	598.60
Cash and cash equivalents at the end of the year	8,730.72	526.15
Cash and cash equivalents comprise of:		
-Cash and bank balances (refer note 6)	8,730.72	526.15
	8,730.72	526.15

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Concord India Private Limited

Rushank Muthreja
Partner
Membership number: 211386

D Vijayakumar
Director
DIN: 00036772

Shaina Ganapathy
Director
DIN: 01777973

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

1 Reporting Entity

Concord India Private Limited ("CIPL" or "the Company"), is a private limited company incorporated on 15 February 1973 as a public limited company and was later converted into a private limited company on 9 April 2008. The Company has been formed primarily for the purpose of real estate development. The Company is a subsidiary of Embassy Property Developments Private Limited, a private company.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 21 August 2019.

Details of the Company's accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

2.3 Use of going concern assumptions

The Company's Ind AS financial statements have been prepared on a going concern basis even though the Company has a negative net worth of INR 60,309.68 thousand as at 31 March 2019 and has incurred a net loss of INR 39,306.01 thousand for the year ended 31 March 2019. Further, the Company's current liabilities exceeded its current assets by INR 542,062.64 thousand as at that date. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on financial support committed to the Company by the holding company, Embassy Property Developments Private Limited, as well as the market value of the underlying leasehold land held by the Company.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.5 Use of estimates and judgements

In preparing these financial statements, management has made judgements estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Formation about judgements, estimates and assumptions in applying the accounting policies that have a significant effect on the amount recognised in the financial statements are included in the following note:

- note 4: Classification of leasehold land as investment property

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a management oversight that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognizes transfers between levels of fair value hierarchy at the end of the year during which the change has occurred.

3 Significant accounting policies

3.1 Impairment of assets

The Company recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is 90 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The Company's non-financial assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

3.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, inclusive of excise duty and net of taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Lease/sub-lease rental income is recognised when right to receive such income is established in accordance with the terms of the contract with the clients

3.3 Recognition of, interest income or expense

Interest expense/ income is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortized cost of financial instrument.

In calculating interest expense, the effective interest rate is applied to the amortized cost of the liability.

3 Significant accounting policies (continued)

3.4 Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.5 Investment Property

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued

3.6 Investments and other financial assets

a). Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3 Significant accounting policies (continued)

3.6 Investments and other financial assets (continued)

b) Classification and subsequent measurement (continued)

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for Derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on Derecognition is also recognized in profit or loss.

c) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

3.7 Low Interest and interest free loans

For all loans which are offered at a below-market rate or interest free, the Company considers the following aspects:

- All the terms and conditions of the loan
- Local market circumstances and the industry practice
- Interest rates currently charged by or offered to the entity for loans with similar risks and characteristics.

As per Ind AS 109, the Company recognizes all financial instruments including interest free loans, on initially recognition at their fair value.

Ind AS 109 requires the difference between the transaction price and the fair value of a low-interest or interest free loan to be recognised as a gain or loss (if the fair value is based on observable inputs), unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan.

On fair valuation of an interest-free loan from a parent to a subsidiary, the 'other component' being the difference between the fair value and the face value of the loan are considered as an equity infusion ('other equity') by the parent.

3 Significant accounting policies (continued)

3.8 Non-current assets held for sale

Non current assets, comprising of assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through a sale transaction rather than continuing use.

Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and issues on re- measurement are recognised in profit and loss.

Once classified as asset held for sale such investment property are no longer depreciated.

3.9 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and amortized cost.

At initial recognition, the Company measures a financial liability at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortized cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

3.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3 Significant accounting policies (continued)

3.11 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3.12 Provisions and contingent liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

3.13 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.14 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

3 Significant accounting policies (continued)

3.15 Earnings per share

The basic earnings/(loss) per share is computed by dividing the net profit/ (loss) attributable to owner's of the company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3.16 Operating segments

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in a business of real estate development and has no other primary reportable segments. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segments assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the financial statements for the year ended 31 March 2019 and as on that date. As the Company operates in India only, hence no separate geographical segment is disclosed.

3.17 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.18 Recent accounting pronouncements

Ind AS 116, Leases

'On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, Lease.

Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 1, 2019. The Company is in the process of assessing the impact of adoption of Ind AS 116 on its financial statements.

Ind AS 12 Income taxes Appendix C (amendments relating to uncertainty over income tax treatments)

'On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12.

Appendix C to Ind AS 12 applies while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

It outlines the following: (1) the entity has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The effective date for adoption of Ind AS 12 Appendix C is financial periods beginning on or after 1 April 2019. The Company has evaluated the effect of this on the financial statements and the impact is not expected to be material.

Ind AS 12 Income tax (amendments relating to income tax consequences of dividend)

On 30 March 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The effective date for adoption of this amendment is financial periods beginning on or after 1 April 2019. The Company has evaluated the effect of this on the financial statements and the impact is not expected to be material.

4 Investment property

Description	Rs in thousands	
	Tangible	Total
	Leasehold land (refer note -iii)	
Cost or deemed cost		
Balance as at 1 April 2017	3,35,762.66	3,35,762.66
Balance as at 31 March 2018	3,35,762.66	3,35,762.66
Balance as at 1 April 2018	3,35,762.66	3,35,762.66
Balance as at 31 March 2019	3,35,762.66	3,35,762.66
Depreciation and impairment losses		
Balance as at 1 April 2017	-	-
Depreciation for the year	-	-
Balance as at 31 March 2018	-	-
Balance as at 1 April 2018	-	-
Depreciation for the year	-	-
Balance as at 31 March 2019	-	-
Carrying amount:		
Balance as at 31 March 2018	3,35,762.66	3,35,762.66
Balance as at 31 March 2019	3,35,762.66	3,35,762.66
Fair value (refer note ii below)		
Balance as at 31 March 2018	1,37,21,000.00	1,37,21,000.00
Balance as at 31 March 2019	1,39,79,000.00	1,39,79,000.00

Note:

i) Amounts recognised in profit and loss for investment property

	31 March 2019	31 March 2018
Rental income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) generating rental income	(5,569.26)	(5,176.35)
Loss arising from investment properties before depreciation and indirect expenses	(5,569.26)	(5,176.35)
Less: Depreciation	-	-
Loss arising from investment properties	(5,569.26)	(5,176.35)

ii) Fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the non-availability of the business plan for the property, the Company has used "Direct Comparison" method approach for assessing the fair value of the property.

The "Direct Comparison Approach" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable.

4 Investment property (continued)

Note (continued):

iii) Restriction on realisability

a) Karnataka Industrial Area Development Board (KIADB) has allotted 78.2219 acres of land to the Company on lease-cum-sale basis. Of the above, 58 acres of land is leased for a period of 20 years and 20.2219 acres is for a period of 11 years. The allotment is to develop infrastructure facilities for IT/ITES companies. In accordance with the terms of agreement with KIADB, a consideration of Rs 398,762.84 thousands has been paid to KIADB and Rs 33,700.58 thousands towards stamp duty. The agreement gives a right to the Company to acquire land at the end of the lease term for no additional consideration. However, if KIADB incurs any further cost towards settlement to the previous owners, KIADB has the right to recover the additional consideration from the Company. During the period of the lease term till transfer of ownership, the Company is required to pay a nominal rent of Rs 78,550 per annum. As at the balance sheet date, as KIADB has not intimated any additional consideration, the Management believes that no further cost is required to be paid to KIADB.

The above land includes 18 acres of land which has been sub-leased to a party for a total consideration of Rs 333,234 thousand under a lease cum sale agreement. Accordingly, the proportionate cost of such 18 acres of land has been classified as assets held for sale - refer note 10 to the financial statements.

b) The aforementioned parcel of land is currently subject to litigation between the Range Forest Officer, Bangalore and the Company. The Range Forest Officer had issued notice vide No. 176/2007-2008 to the Company alleging that the land allotted by KIADB to the Company is a forest land and the Company is in unauthorised occupation of the forest land. Aggrieved by the said notice, the Company had filed a writ petition before the Honourable High Court of Karnataka appealing for quashing of the said notice issued by the Forest Department. The Honourable High Court of Karnataka on 25 May 2012 has allowed the writ petition no. 7200/2008 filed by the Company confirming that the land allotted by KIADB is not a forest land. Aggrieved by the said order dated 25 May 2012, the Forest Department has filed an appeal vide W.A. 4283/2012 before the Honourable High Court of Karnataka. The Company has also filed an appeal vide W.A. 4205/2012 seeking certain clarifications on certain observations made in the order dated 25 May 2012. Both these appeals are admitted and are pending for final hearing. In view of the order of the Honourable High Court dated 25 May 2012 confirming that the land allotted by KIADB is not a forest land, the Company contends that it has a good case on merits.

c) Owing to the litigation, the aforesaid parcel of land has not yet been registered in favour of the Company and continues to be classified as leasehold land (excluding the portion classified as 'held for sale').

Non-current assets

5 Other non-current assets		Rs in thousands	
Particulars	As at	As at	
	31 March 2019	31 March 2018	
<i>Unsecured, considered good</i>			
Advances paid for purchase of land (refer note 29)	45,000.00	45,000.00	
Tax deducted at source	2,584.19	-	
	47,584.19	45,000.00	

Current financial assets

6 Cash and cash equivalents			
Particulars	As at	As at	
	31 March 2019	31 March 2018	
Balances with banks			
- in current accounts	8,730.72	526.15	
	8,730.72	526.15	

7 Loans and advances			
Particulars	As at	As at	
	31 March 2019	31 March 2018	
<i>Unsecured, considered good</i>			
Loan to others (refer note below)	-	1,33,234.00	
	-	1,33,234.00	

Note:

As at 31 March 2018, the amount has been given as a loan to a party as per the agreement dated 6 February 2015. The loan carries an interest rate of 18% per annum till the date of post dated cheque i.e. 31 March 2016. The above loan was required to be secured through shares held by the party in Manyata Promoters Private Limited, however the share pledge agreement had not been executed till 31st March, 2018 and hence the same had been disclosed as unsecured. The loan was subsequently settled during the year 2018-19.

8 Other current financial assets			
Particulars	As at	As at	
	31 March 2019	31 March 2018	
Interest accrued and due	-	25,841.88	
Advance recoverable	6,873.50	-	
	6,873.50	25,841.88	
Less: Allowance for doubtful advances	(6,873.50)	-	
	-	25,841.88	

9 Other current assets			
Particulars	As at	As at	
	31 March 2019	31 March 2018	
Advances for rendering of services	100.00	100.00	
Balance with government authorities	-	927.24	
	100.00	1,027.24	

10 Assets held for sale

The Company has entered into an agreement with Mandava Holdings Limited for sub-lease cum sale of 18 acres of the total 78 acres of land obtained on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB) for a total consideration of Rs 333,324.00 thousands which has already been received by the Company.

As at the balance sheet date, the assets held for sale has been stated at carrying amount (being lower of cost and agreed sub-lease-cum sale value). Completion of the transaction is dependent on the conclusion of the pending litigation (refer note 4(iii)(b)).

Particulars	As at	As at	
	31 March 2019	31 March 2018	
Investment Property held for sale	99,516.14	99,516.14	
	99,516.14	99,516.14	

11 Share capital

Particulars	Rs in thousands (except per share data)	
	As at	As at
	31 March 2019	31 March 2018
Authorised capital		
765,000 (Previous year: 765,000) class A equity shares of Rs 10 each	7,650.00	7,650.00
735,000 (Previous year: 735,000) class B equity shares of Rs 10 each	7,350.00	7,350.00
	15,000.00	15,000.00
Issued, subscribed and paid up		
382,614 (Previous year: 382,614) class A equity shares of Rs 10 each, fully paid up	3,826.14	3,826.14
367,610 (Previous year: 367,610) class B equity shares of Rs 10 each, fully paid up	3,676.10	3,676.10
	7,502.24	7,502.24

(a) Shareholders holding more than 5 percent of shares in the Company :

Name of the share holder	As at 31 March 2019		As at 31 March 2018	
	No. of shares	% holding	No. of shares	% holding
Equity shares				
<i>Class A equity shares of Rs 10 each</i>				
Embassy Property Developments Private Limited, (holding company)	3,82,614	100%	3,82,614	100%
<i>Class B equity shares of Rs 10 each</i>				
Florence Investments Limited (Mauritius)	3,67,610	100%	3,67,610	100%

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as given below:

Particulars	Rs in thousands (except per share data)			
	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	3,82,614	3,826.14	3,82,614	3,826.14
Number of equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	3,82,614	3,826.14	3,82,614	3,826.14

Class B equity shares of Rs 10 each:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	3,67,610	3,676.10	3,67,610	3,676.10
Number of equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	3,67,610	3,676.10	3,67,610	3,676.10

(c) Rights, entitlements and obligations of different classes of shares

Effective 22 August 2008, the Company entered into a tripartite Shareholders Agreement ("the Agreement") with its shareholders i.e. Embassy Property Developments Private Limited and Florence Investments Limited ("the Shareholders"). The significant terms of the Agreement and the rights of Shareholders are mentioned hereunder:

Embassy Property Developments Private Limited shall hold 382,614 class A equity shares of Rs 10 each carrying 51% voting rights and 98% economic interest in the Company. Florence Investments Limited shall hold 367,610 class B equity shares of Rs 10 each carrying 49% voting rights and 2% economic interest in the Company.

Florence Investments Limited had, by 31 December 2013, the right to subscribe to compulsorily convertible debentures of the Company at a price not less than Rs 2,900 per debenture or an amount mutually agreed between the Company and the shareholders with a right to convert such compulsorily convertible debentures into equity.

Upon the aforesaid conversion of compulsorily convertible debentures into equity, the economic interest of Florence Investments Limited shall stand revised to 49%. However, this right has not been exercised till date.

Embassy Property Developments Private Limited shall have majority representation on the Board of Directors.

Florence Investments Limited has rights to dividend and capital distribution of total of 2% of total economic interest (they will be entitled to 2% of the amount declared as dividend subject to applicable taxes and 2% of the total proceeds as and when the company's assets and liabilities are distributed among the share holders or on liquidation).

In the event Florence Investments Limited seeks to exit its investment in the Company then Embassy Property Developments Private Limited shall hold the first right of refusal to buy the shares.

(d) Buy back of shares and shares allotted by way of bonus shares

The Company has not allotted any fully paid up equity shares by way of bonus shares nor has it bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has it issued shares for consideration other than cash.

12 Other Equity

Particulars	Rs in thousands	
	As at 31 March 2019	As at 31 March 2018
Securities premium		
At the commencement of the year	2,06,614.75	2,06,614.75
Add: Additions during the year	-	-
At the end of the year	2,06,614.75	2,06,614.75
Retained earnings		
At the commencement of the year	(3,91,930.04)	(3,49,079.27)
Add: Additions during the year	(39,306.01)	(42,850.77)
At the end of the year	(4,31,236.05)	(3,91,930.04)
Share warrants (refer note below)		
At the commencement of the year	200.00	200.00
Add: Additions during the year	-	-
At the end of the year	200.00	200.00
Equity component of interest-free loans taken		
At the commencement of the year	1,74,062.91	1,72,110.85
Add: Additions during the year	(15,505.89)	1,952.06
At the end of the year	1,58,557.02	1,74,062.91
Equity component of deferred guarantee income		
At the commencement of the year	-	-
Add: Additions during the year	(1,947.64)	-
At the end of the year	(1,947.64)	-
	(67,811.92)	(11,052.38)

Note

The share warrants are held by Embassy Property Developments Private Limited, the holding company. The share warrants entitle the warrant holders to subscribe to an aggregate of 100,000 fully paid class B equity shares of Rs 10 each at a premium of Rs 10 each.

Non-current financial liabilities

13 Non-current borrowings

Particulars	Rs in thousands	
	As at 31 March 2019	As at 31 March 2018
Unsecured:		
Preference shares		
9% non-cumulative redeemable preference shares (refer note A below)	100.00	100.00
Other long-term borrowings		
Loans from related parties		
- loan from holding company (refer note B below)	-	2,19,539.46
- loan from group company (refer note B below)	-	87,268.51
	100.00	3,06,907.97

A) 9% non- cumulative redeemable preference shares are redeemable on 31 December 2020.

1,000 (Previous year: 1,000) 9% non-cumulative redeemable preference shares of Rs 100 each

B) Details of interest and repayment terms of loans from related parties :

a) Embassy Property Developments Private Limited as at 31 March 2019: Rs.113,747.46 thousands (31 March 2018: Rs 219,539.46 thousands)

Interest and repayment

Interest free loan repayable after 1 April 2019, hence classified as current borrowings as at 31 March 2019.

b) Udhyan Investments Private Limited as at 31 March 2019: Rs.98,644.20 thousands (31 March 2018: Rs 87,268.51 thousands)

Interest and repayment

Interest free loan repayable after 1 April 2019, hence classified as current borrowings as at 31 March 2019.

14 Other non-current liabilities

Particulars	Rs in thousands	
	As at 31 March 2019	As at 31 March 2018
Deferred guarantee income	1,010.03	-
	1,010.03	-

Current financial liabilities

15	Other current financial liabilities	Rs in thousands	
	Particulars	As at 31 March 2019	As at 31 March 2018
	Payable for expenses to micro, small and medium enterprises (refer note 26)	488.51	318.36
	Payable for expenses other than micro, small and medium enterprises (refer note 26)	2,062.93	1,781.87
		2,551.44	2,100.23
16	Current borrowings	Rs in thousands	
	Particulars	As at 31 March 2019	As at 31 March 2018
	Loans from related parties		
	- loan from holding company [Refer Note 13(b)]	1,13,747.46	-
	- loan from group company [Refer Note 13(b)]	98,644.20	-
		2,12,391.65	-
17	Current liabilities	Rs in thousands	
	Particulars	As at 31 March 2019	As at 31 March 2018
	Advance received for sub-lease of land (refer note 10)	3,33,234.00	3,33,234.00
	Advance received for sale of property	2,000.00	2,000.00
	Others		
	- statutory dues	273.79	216.01
	Deferred guarantee income	442.48	-
		3,35,950.27	3,35,450.01
18	Other income	Rs in thousands	
	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Refund of service tax including interest	847.91	-
	Guarantee fee income	495.14	-
		1,343.05	-
19	Finance costs	Rs in thousands	
	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Interest expense		
	- finance costs (unwinding of discount)	24,488.22	35,296.49
		24,488.22	35,296.49
20	Other expenses	Rs in thousands	
	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Legal and professional	3,618.54	2,240.89
	Security	4,408.45	4,015.53
	Rates and taxes	1,173.71	1,184.52
	Rent (refer note 4)	78.55	78.55
	Provision for doubtful advances	6,873.50	-
	Miscellaneous	8.09	34.79
		16,160.84	7,554.28

21 Commitments and contingent liabilities

Particulars	Rs in thousands	
	As at 31 March 2019	As at 31 March 2018
Contingent liabilities		
(i) The Company has given its leasehold land, i.e. investment property as an exclusive security for a loan taken by Embassy Property Developments Private Limited, the holding company which is in contravention to the requirements of Section 185 of the Companies Act, 2013.		
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-

22 Auditors' remuneration (excluding GST, included in legal and professional fees)

Particulars	Rs in thousands	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Statutory audit fees	400.00	400.00
Reimbursement of expenses	27.15	8.15
	427.15	408.15

23 Earnings/ (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders (after adjusting for saving in interest or dividend expenses, net of taxes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Rs in thousands except per share data	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Net profit/ (loss) for the year attributable to equity shareholders		
- Class A (representing 98% of economic interest)	(38,519.88)	(41,993.76)
- Class B (representing 2% of economic interest)	(786.13)	(857.01)
Weighted average number of equity shares outstanding during the year		
<i>Equity shares of Rs 10 each, fully paid</i>		
- basic		
- Class A	3,82,614.00	3,82,614.00
- Class B	3,67,610.00	3,67,610.00
Earnings/ (loss) per share – basic		
- Class A (Rs)	(100.68)	(109.75)
- Class B (Rs)	(2.14)	(2.33)
- dilutive		
- Class A	3,82,614.00	3,82,614.00
- Class B [including share warrants] *	3,67,610.00	3,67,610.00
Earnings/ (loss) per share – dilutive		
- Class A (Rs)	(100.68)	(109.75)
- Class B (Rs)	(2.14)	(2.33)

*The effect of share warrants are anti-dilutive in nature.

24 Related parties disclosures

(i) Names of related parties and description of relationship

Enterprises where control exists

Ultimate holding company	JV Holdings Private Limited
Intermediate holding company	Embassy Property Developments Private limited

Other related parties with whom transactions have taken place during the year

Fellow subsidiary Udhyaman Investments Private Limited

Key management personnel

Vijayakumar Dharmalingam
Shaina Ganapathy

(ii) Related party transactions

Particulars	Rs in thousands	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Long-term borrowings - received/(repaid)		
- Embassy Property Developments Private Limited	(1,18,904.54)	7,038.84
Equity component of interest free loans - received/(repaid)		
Embassy Property Developments Private Limited	(15,505.89)	1,952.06
Equity component of guarantee fee income - received(repaid)		
Embassy Property Developments Private Limited	1,947.64	-
Guarantee fee income		
- Embassy Property Developments Private Limited	(495.14)	-
Interest expense		
- Embassy Property Developments Private Limited	13,112.53	25,256.75
- Udhyaman Investments Private Limited	11,375.69	10,039.74

(iii) Balances receivable from and payable to related parties:

Particulars	Rs in thousands	
	As at 31 March 2019	As at 31 March 2018
Liability component of interest free loans - Long term borrowings		
Embassy Property Developments Private Limited	1,13,747.46	2,19,539.46
Udhyaman Investments Private Limited	98,644.20	87,268.51
Equity component of interest free loans		
Embassy Property Developments Private Limited	1,07,230.04	1,22,735.93
Udhyaman Investments Private Limited	51,326.98	51,326.98
Other equity component of guarantee fee income		
Embassy Property Developments Private Limited	(1,947.64)	-
Liability component of guarantee income		
Embassy Property Developments Private Limited	1,452.51	-

The Company has given its leasehold land as a secondary security for a loan of Rs 10,000,000 thousands taken by Embassy Property Developments Private Limited, the holding company.

Note

Transactions with related parties have been shown after giving effect to the impact of reclassifications into liability and equity and adjustments arising on account of effective interest rate method under Ind AS.

There was no managerial remuneration payable/paid to directors during the year (previous year: Nil).

25 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "real estate development"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considering necessary. The Company operates only in India. Hence no disclosure is considered necessary. However, the Company has not commenced its operations as at the year end.

- 26 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 has been made in the financial statements based on information received and available with the Company. The Company does not have any interest dues to micro and small enterprises as at 31 March 2019 (31 March 2018 - Nil):

Particulars	Rs in thousands	
	Year ended 31 March 2019	Year ended 31 March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	488.51	318.36
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* No interest has been paid by the Company during the year.

- 27 During the year, the Company has adjusted an amount of Rs. 156,560.69 thousand towards repayment of the loan taken and has received an additional loan of Rs 22,150.26 thousands (outstanding of Rs 113,747.46 thousands as at 31 March 2019) from its holding company in which a director is interested. As per the requirements of Section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a Director is interested. Accordingly the aforementioned loan received by the Company is not in compliance with the requirements of the Act.
- 28 During the previous year, the Company has provided the leasehold land of 60 acres held by it as a security for loan taken by a private company in which a director is interested. As per the requirements of Section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a Director is interested. Accordingly the aforementioned security given by the Company is not in compliance with the requirements of the Act.
- 29 The Company has originally advanced an amount to a party of Rs 45,000.00 thousands towards purchase of land. Management continues to represent that the advance will be recoverable in full.

30 Tax expense

A. Amounts recognised in statement of profit or loss:

Particulars	Rs in thousands	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax		
Current income tax charge	-	-
Deferred tax		
Attributable to—		
Origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	-	-

B Reconciliation of effective tax rate

Particulars	Rs in thousands	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit/ loss before income tax	(39,306.01)	(42,850.77)
Domestic tax rate	26.00%	25.75%
Tax using the Company's domestic tax rate	(10,219.56)	(11,034.07)
Effect of		
Current year losses for which no deferred tax asset is recognised	10,219.56	11,034.07
Income tax expense	-	-

Details of deferred tax		Rs in thousands	
Particulars		As at	As at
		31 March 2019	31 March 2018
Deferred tax liabilities			
Deferred tax liability on Interest free loans		16,600.92	27,538.25
Deferred tax assets			
Tax losses		(16,600.92)	(27,538.25)
		-	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	Rs in thousands	
	As at	As at
	31 March 2019	31 March 2018
Unused tax losses	2,18,544.62	1,37,479.31
	2,18,544.62	1,37,479.31

* Includes unused tax losses amounting to Rs. 23,368.56 thousands which will expire between the financial year 2019-20 and 2026-27.

- 31 The Company outsources its manpower and technology assistance requirements and does not have any employees on its rolls and hence does not incur any employee related benefits/ costs.
- 32 The Company did not have any income or expenditure in foreign currency during the current year and the previous year.
- 33 **Expenditure on Corporate Social Responsibility activities**
Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2019 and 31 March 2018.

34 Financial instruments

The carrying value and fair value of financial instruments by categories are as below:

Financial assets	Carrying value		Fair value	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Amortised cost				
Cash and cash equivalents	8,730.72	526.15	-	-
Loans	-	1,33,234.00	-	-
Interest accrued	-	25,841.88	-	-
Total assets	8,730.72	1,59,602.03	-	-
Financial liabilities				
Amortised cost				
Borrowings	2,12,491.65	3,06,907.97	-	-
Other financial liabilities	2,551.44	2,100.23	-	-
Total liabilities	2,15,043.09	3,09,008.20	-	-

The management assessed that the carrying value of cash and cash equivalents, loans and advances, advance recoverable and interest accrued approximate their fair value largely due to the short term nature.

35 Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- liquidity risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Company's cash and cash equivalents and loans. The carrying amount of financial assets represents the maximum credit exposure.

(i) Cash and cash equivalents

The Company holds cash and cash equivalents of Rs 8,730.72 thousands at 31 March 2019 (31 March 2018: Rs 526.15 thousand). The cash and cash equivalents are mainly held with banks which are highly rated. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

(ii) Loans

Particulars		Period ended	Asset Company	Gross amount	Expected credit losses	Net amount
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-19	Loans and advances	-	-	-
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-18	Loans and advances	1,33,234.00	-	1,33,234.00

(b) Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company operates domestically. There are no foreign exchange transactions in the year of reporting.

(ii) Interest rate risk

The Company's borrowings represents loan from related party and the same is interest free. Accordingly the Company does not have any interest rate risk.

(d) Liquidity Risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Carrying value	Contractual cash flows				
		Total	1 year or less	1 year to 3 years	3 to 5 years	more than 5 years
31 March 2019						
Borrowings	2,12,491.65	2,12,491.65	2,12,391.65	100.00	-	-
Other financial liabilities	2,551.44	2,551.44	2,551.44	-	-	-
	2,15,043.09	2,15,043.09	2,14,943.09	100.00	-	-
31 March 2018						
Borrowings	3,06,907.97	3,06,907.97	-	3,06,907.97	-	-
Other financial liabilities	2,100.23	2,100.23	2,100.23	-	-	-
	3,09,008.20	3,09,008.20	2,100.23	3,06,907.97	-	-

35 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening balance 1 April 2018	Cash flows		Non cash movement		Rs in thousands
		Proceeds	Repayments	Repayments adjusted with loans and advances	(including fair value changes)	Closing balance 31 March 2019
Proceeds from borrowings	3,06,907.97	22,150.26	(69.01)	(1,56,491.69)	39,994.12	2,12,491.65
Total changes from movement in financing activity	3,06,907.97	22,150.26	(69.01)	(1,56,491.69)	39,994.12	2,12,491.65

36 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a ratio of net adjusted debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising trade payables and other liabilities less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2019 was as follows.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Total liabilities	5,52,003.39	6,44,458.21
Less: Cash and cash equivalents	8,730.72	526.15
Adjusted net debt	5,43,272.67	6,43,932.06
Total equity	(60,309.68)	(3,550.14)
Adjusted equity	(60,309.68)	(3,550.14)
Adjusted net debt to equity ratio	(9.01)	(181.38)

37 Previous year figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Concord India Private Limited

Rushank Muthreja
Partner
Membership number: 211386

D Vijayakumar
Director
DIN: 00036772

Shaina Ganapathy
Director
DIN: 01777973

0

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

Place: Bengaluru
Date: 21st August, 2019

Independent Auditor's Review Report

To the Board of Directors of Embassy East Business Park Private Limited

Review Report on Unaudited Special Purpose Interim Financial Statements

1. We have reviewed the accompanying Unaudited Special Purpose Interim Financial Statements of Embassy East Business Park Private Limited (the "Company"), which comprise the Unaudited Special Purpose Interim Balance Sheet as at December 31, 2021, the Unaudited Special Purpose Interim Statement of Profit and Loss (including Other Comprehensive Income) for nine months period ended on that date and other relevant explanatory notes and information (hereinafter referred to as the "Unaudited Special Purpose Interim Financial Statements"). The Unaudited Special Purpose Interim financial statements have been prepared by the management in accordance with Note 2.01 based on the preparation of the Unaudited Special Purpose Interim financial statements.
2. The management of the Company is responsible for the preparation and presentation of these Unaudited Special Purpose Interim Financial Statements in accordance with recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', and applicable Indian Accounting Standards ("IND-AS") issued by the Institute of Chartered Accountants of India (ICAI) and other recognised accounting practices and policies in India. The Unaudited Special Purpose Interim Financial Statements are the responsibility of the Company's management. Our responsibility is to express a conclusion on the Unaudited Special Purpose Interim Financial Statements based on our review.
3. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Special Purpose Interim Financial Statements have not been prepared in all material respects in accordance with recognition and measurement principles laid down in IND AS 34 'Interim Financial Reporting' and applicable Indian accounting standards issued by Institute of Chartered Accountants of India (ICAI) and other recognized accounting practices and policies in India.

Emphasis of Matter

5. We draw attention to Note 4 of the Unaudited Special Purpose Interim Financial Statements, which describes the ongoing litigations against the company. Our opinion is not modified in respect this matter.

We further draw reference to Note 5 and Note 6 of the Unaudited Special Purpose Interim Financial Statements which describes the terms and conditions of advance for property procurement advance and the details of the novation of the loan. Our opinion is not modified in this matter.

Basis of Preparation

6. Without modifying our opinion, we draw attention to note 2.1 to the Unaudited Special Purpose Interim Financial Statements, which describes the basis of preparation of the Unaudited Special Purpose Interim Financial Statements.

Restriction to use

7. This review report is issued at the request of the Company for submission to its holding company, NAM Estates Private Limited to enable it to prepare its unaudited special purpose interim consolidated financial statements and for use by management in the process of placement of equity shares of Rs 2 in an institutional placement in India to be issued by Indiabulls Real Estate Private Limited. These Unaudited Special Purpose Interim Financial Statements should not be used for any other purpose without our prior written consent.

For NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No:027388

UDIN: 22027388AFFJUK2097

Place: Bengaluru

Date: 19th March 2022

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Special Purpose Interim Balance Sheet

(All amounts are in ₹ millions unless otherwise stated)

	As at 31 December 2021	As at 31 March 2021
ASSETS		
Non-current assets		
Investment property	332.95	332.95
Investment property under development	6.06	3.02
Other non-current asset	8,400.74	2.45
Total non-current assets	8,739.75	338.41
Current assets		
Financial assets		
- Cash and cash equivalents	0.58	0.52
- Other current financial assets	1.03	-
Other current assets	1.36	0.10
Total current assets	2.97	0.62
Assets held for sale	99.52	99.52
Total assets	8,842.24	438.55
EQUITY AND LIABILITIES		
Equity		
Equity share capital	7.50	7.50
Other equity	(491.03)	(93.62)
	(483.53)	(86.12)
Non-current liabilities		
Financial liabilities		
- Borrowings	8,310.44	0.10
Other non-current liabilities	11.43	0.37
	8,321.87	0.47
Current liabilities		
Financial liabilities		
- Other financial liabilities	324.13	7.04
- Borrowings	309.23	183.35
Other current liabilities	370.54	333.80
	1,003.90	524.20
Total equity and liabilities	8,842.24	438.55

As per our report of even date attached

for **NSVM & Associates**

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy East Business Park Private Limited**D N Sree Hari**

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 00036772

Shaina Ganapathy

Director

DIN: 01777973

Place: Bengaluru

Date: 19 March 2022

Place: Bengaluru

Date: 19 March 2022

Place: Bengaluru

Date: 19 March 2022

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Special Purpose Interim Statement of Profit and Loss

(All amounts are in ₹ millions unless otherwise stated)

	For the period ended 31 December 2021	For the year ended 31 March 2021
Income		
Other income	17.18	0.38
	17.18	0.38
Expenses		
Other expenses	10.15	16.64
Earnings before finance costs, depreciation, amortization and tax	7.03	(16.26)
Finance costs	480.16	-
Depreciation expense	-	-
Amortization expense	-	-
	(473.13)	(16.26)
Profit/(loss) before exceptional items and tax		
Exceptional Items	-	-
	(473.13)	(16.26)
Profit/(loss) before tax		
Tax expense:		
- Current tax	-	-
- Deferred tax	-	-
Income tax expense	-	-
Other comprehensive income	-	-
Total comprehensive loss for the year	(473.13)	(16.26)
Earnings per equity share:		
Loss per share (equity shares, par value Rs 10 each)		
- Basic and diluted		
Equity shares	(630.65)	(21.67)

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of
Embassy East Business Park Private Limited**D N Sree Hari**

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 00036772

Shaina Ganapathy

Director

DIN: 01777973

Place: Bengaluru

Date: 19 March 2022

Place: Bengaluru

Date: 19 March 2022

Place: Bengaluru

Date: 19 March 2022

1 Company background

Concord India Private Limited (“CIPL” or “the Company”), is a private limited company incorporated on 15 February 1973 as a public limited company and was later converted into a private limited company on 9 April 2008. The Company has been formed primarily for the purpose of real estate development. The Company is a subsidiary of NAM Estates Private Limited, a private limited company.

On 22 October 2020, the name of the Company has been changed from Concord India Private Limited to Embassy East Business Park Private Limited.

2 Basis of preparation of financial statements

2.1 Statement of compliance

These special purpose interim financial statements have been prepared to be included in the special purpose consolidated financial statement of Nam Estates Private Limited and to be presented in the private placement document, on a standalone basis, for the proposed fund raise by Indiabulls Real Estate Limited. This financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial reporting (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The comparative information as required by Ind AS 34 have not been presented. Selected notes have been included that are significant for the understanding of the changes in the Company’s financial position and performance since the last annual financial statements, wherever applicable.

The Special Purpose interim financial statements for the period nine months ended 31st December, 2021 were authorised for issue by the Company’s Board of Directors on 19th March, 2022.

2.2 Functional and presentation currency

These special purpose interim financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

2.3 Use of going concern assumptions

The Company’s special purpose interim financial statements have been prepared on a going concern basis even though the Company has a negative net worth of ₹ 491.03 millions as at 31 December 2021 and has incurred a net loss of ₹ 473.13 millions for the period ended 31 December 2021. Further, the Company’s current liabilities exceeded its current assets by ₹ 1,000.93 millions as at that date. The appropriateness of the going concern assumption on the basis of which these special purpose interim financial statements have been prepared is based on financial support committed to the Company by the holding company, NAM Estates Private Limited, as well as the market value of the underlying leasehold land held by the Company.

These special purpose interim financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

2.4 The significant accounting policies adopted in the preparation of these Special Purpose Interim financial statements is the same policies that have been consistently applied as per the previous audited financials statements.

(This space is intentionally left blank)

3 Capital Commitments and contingent liabilities

Particulars	As at 31 December 2021	As at 31 March 2021
Contingent liabilities		
a) The Company has given its leasehold land, i.e. investment property as an exclusive security for a loan taken by L J Victoria Private Limited and Embassy Inn Private Limited.	3,909.37	4,715.80
b) Liability regarding the Pay order towards BWSSB for the NOC and treated water fees	9.25	-
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	81.53	14.71

4 Other Litigations

A writ petition has been filed by certain parties against the Company and other respondents including KIADB and Embassy Property Developments Private Limited (EPDPL) claiming ownership to certain shareholding of the Company. Further, the petitioners have also alleged that the Company and other respondents have borrowed funds against the leasehold land held by the Company not in line with the terms and conditions of the lease cum sale agreement with KIADB.

On October 29, 2021, the Hon'ble Court has issued an interim order directing the Company not to create any further interest in the Schedule Property, and directed the KIADB not to issue NOCs for creating any further mortgages on the Schedule Property.

As per the legal opinion obtained by the management, the Company is of the view that the writ petitions filed by the petitioners do not have any merit as they are seeking to resolve a private dispute through the means of a writ petition. Further the Company based on the legal opinion obtained is of the view that the legal proceeding shall not have adverse effect on ownership or possession of the leasehold land allotted by the KIADB.

5 Terms & Conditions of Property Procurement Advance

Party Name	Amount	Purpose
NAM Estates Private Limited	8,394.12	Advance for the purpose of land acquisition

The Company has entered into an agreement with NAM Estates Private Limited during the period ended December 31, 2021 for an amount of ₹ 8,394.12 millions, towards acquisition of certain parcel of land. As per the agreement, NAM Estates is required to acquire and handover a parcel of land admeasuring about 60 acres to the Company within 24 months from the agreement date or such extended time as permitted by EEBPPL in its sole discretion. The parties to the agreement have agreed that in case of any default to the terms of agreement, a compensation shall be paid by NAM Estates Private Limited to the Company which shall be mutually decided.

As on the date on which Property Procurement Advance agreement becomes effective, the Company had an amount receivable (on account of Novation as stated in Note 6) from NAM Estates Private Limited which has been considered as payment under the said agreement.

6 Details of security, repayment and interest on term loans from NBFC (including current maturities of non-current borrowings):

a) The Company has a term loan facility of ₹ 8400 million due to a financial institution as on 22nd July 2021.

The above loan has been novated to the Company under a Novation agreement with Embassy Property Developments Private Limited (original borrower). Embassy Property Developments Private Limited under the Scheme of Arrangement, demerged the said loan to NAM Estates Private Limited approved by Regional Director on 06th August 2021 with effective from 01 April, 2020.

b) Repayment and Interest Terms

Particulars	As at 31st December 2021	As at 31st March 2021
India Bulls Housing Finance Limited		
The loan has a moratorium for repayment/payment of principal amount of the loan for the initial 36 months. The loan carries an interest rate of 12.45% p.a.	8,394.12	-

c) The term loan is secured against all the pieces and parcel of land bearing Plot No 6 in Sy. No. 73 in the Kadugodi Industrial Area within the limits of Kadugodi Plantation village, Bidarahalli Village Bidarahalli Hobli, Bangalore East Taluka, Bangalore district in all measuring 58 acres.

d) A corporate guarantee has been given by Embassy Property Developments Private Limited.

(This space is intentionally left blank)

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)
CIN: U51101KA1973PTC002298
Notes to special purpose interim financial statements.
(All amounts are in ₹ millions unless otherwise stated)

7 Related parties disclosures

(i) Names of related parties and description of relationship

Enterprises where

Ultimate holding company	JV Holdings Private Limited
Intermediate holding company	NAM Estates Private Limited *

Other related parties with whom transactions have taken place during the year

Fellow subsidiary	Udhyaman Investments Private Limited
	Embassy Property Developments Private limited *
	LJ-Victoria Properties Private Limited

Key management personnel	Vijayakumar Dharmalingam
	Shaina Ganapathy

(ii) Related party transactions

Particulars	For the period ended 31 December 2021	For the year ended 31 March 2021
Capital advance-		
- NAM Estates Private Limited	8,394.12	-
Borrowings		
- NAM Estates Private Limited	(30.92)	-
Intercompany deposit received - received/(repaid)		
- NAM Estates Private Limited	-	10.70
Business consultancy fees		
- NAM Estates Private Limited	(10.00)	-
Guarantee fee income		
- Embassy Property Developments Private Limited	(0.64)	(0.37)
- Embassy Inn Private Limited	(4.40)	-
- LJ-Victoria Properties Private Limited	(2.14)	-
Guarantee fee expense		
- Embassy Property Developments Private Limited	18.58	-
Reimbursement of Expenses		
- LJ-Victoria Properties Private Limited	1.03	-

(iii) Amounts outstanding as at the balance sheet date:

Particulars	As at 31 December 2021	As at 31 March 2021
Capital Advance		
- NAM Estates Private Limited	8,394.12	-
Borrowings		
- NAM Estates Private Limited	309.23	-
Other Receivable from related parties		
- LJ-Victoria Properties Private Limited	1.03	-
Intercompany Deposit Received		
- NAM Estates Private Limited	-	127.70
- Udhyaman Investments Private Limited	-	55.64

Embassy East Business Park Private Limited (Formerly known as Concord India Private Limited)

CIN: U51101KA1973PTC002298

Notes to special purpose interim financial statements.**(All amounts are in ₹ millions unless otherwise stated)****Other equity component of guarantee fee income**

- Embassy Property Developments Private Limited	(1.95)	(1.95)
- Embassy Inn Private Limited	(12.62)	-
- LJ-Victoria Properties Private Limited	(14.02)	-

Other equity component of guarantee fee expense

- Embassy Property Developments Private Limited	102.36	-

Deferred guarantee expense (Current & Non-current)

- Embassy Property Developments Private Limited	83.78	-

Deferred guarantee income (Current & Non-current)

- Embassy Property Developments Private Limited	-	0.64
- Embassy Inn Private Limited	8.21	-
- LJ-Victoria Properties Private Limited	11.88	-

The Company has given its leasehold land as a secondary security for a loan of ₹ 900 millions taken by LJ-Victoria Projects Private Limited, fellow subsidiary and ₹ 4780 millions taken by Embassy Inn Private Limited. The closing balance as on December 31, 2021 is ₹ 3909.37 millions.

*Shares transferred pursuant to Scheme of amalgamation/demerger of Embassy Property Developments Private Limited with NAM Estates Private Limited, approved by Regional Director on 06th August 2021, the Intercorporate Deposit shall be moved to NAM Estates Private Limited.

Note

Transactions with related parties have been shown after giving effect to the impact of reclassifications into liability and equity and adjustments arising on account of effective interest rate method under Ind AS.

There was no managerial remuneration payable/paid to directors during the year (previous year: Nil).

8 Uncertainty relating to the global health pandemic on COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on revenue recognition, investment property (including under development), property, plant and equipment, capital work in progress, and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company and have compared the actual performance with the projections and expects the carrying amount of these assets as reflected in the balance sheet as at 31 December 2021 will be recovered. The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Embassy East Business Park Private Limited**D N Sree Hari**

Partner

Membership number: 027388

D Vijayakumar

Director

DIN: 00036772

Shaina Ganapathy

Director

DIN: 01777973

Place: Bengaluru

Date: 19 March 2022

Place: Bengaluru

Date: 19 March 2022

Place: Bengaluru

Date: 19 March 2022

INDEPENDENT AUDITORS' REPORT

To the Members of Summit Developments Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Summit Developments Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report agree with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
 - g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note no.16 to the financial statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditor’s Report under Section 197(16):
- In our opinion and according to the information and explanation given to us, the Company is a private limited company and accordingly provision of section 197 of the Act is not applicable to the Company.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 21027388AAAACC7768

Place: Bengaluru

Date: 13 October 2021

Summit Developments Private Limited

Annexure A to the Independent Auditors' Report

The Annexure A referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report to the Members of Summit Developments Private Limited ('the Company') for the year ended 31 March 2021, we report that:

- (i) (a) & (b) The company does not hold any property, plant & equipment except a parcel of freehold land and hence paragraph 3(i)(a) and (b) of the order is not applicable.
 - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of all the immovable properties are held in the name of the Company.
- (ii) The Company is primarily engaged in the business of development real estate development. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has granted loans to a company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the terms and conditions of the Intercompany Deposit (loan) granted by the Company to the company covered in the register maintained under section 189 of the Companies Act, 2013, the Intercompany Deposit (loan) given is prejudicial to the interest of the Company, as disclosed below.
 - (b) In the case of the Intercompany Deposit (loan) granted to the company listed in the register under Sec 189 of the Act, the stipulation as to repayment of principle as specified below.
 - (c) The principal is repayable on demand and hence, there is no overdue as on date in the case of the Intercompany Deposit (loan) granted to the company listed in the register under Sec 189 of the Act.

Name of the company	Amount of Inter corporate Deposit (loan) given during the year (Rs in thousands)	Amount as at 31 March 2021 (Rs in thousands)	Terms
Embassy Property Developments Private Limited (erstwhile holding company) now NAM Estates Private Limited (w.e.f 01/04/2020, refer note 10 in the financial statements)	Nil	548,180.80	Interest free Inter Corporate Deposit repayable on demand.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and Section 186 of the Act.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)
- a) In our opinion and according to information and explanations given to us and basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect undisputed statutory dues including income taxes, Goods and service tax and any other statutory dues applicable to it have been regularly deposited during the year by the Company with appropriate authorities.
- In our opinion and according to the information and explanation given to us, no disputed amounts payable in respect of income tax, goods and service tax and any other statutory dues were in arrears as at 31st March 2021 for a period of more than six month from the date they became payable.
- b) In our opinion and according to the information and explanations given to us, there are no dues of income tax, goods and service and any other statutory dues which have not been deposited of account of any dispute.

- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of outstanding debentures during the year. The Company did not have any outstanding loans or borrowings from any financial institution or bank or government.
- (ix) In our opinion and according to the information and explanation given to us, no money was raised by the way of public issue/follow-on-offer (inclusive debt instruments). The Company did not have any term loans outstanding during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

for **N S V M & Associates**

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 21027388AAAACC7768

Place: Bengaluru

Date: 13 October 2021

Annexure – B to the Independent auditor’s report of even date on the financial statements of Summit Developments Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Summit Developments Private Limited (“the Company”) as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India” These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

for N S V M & Associates

Chartered Accountants

Firm Reg. No. 010072S

D N Sree Hari

Partner

Membership No. 027388

UDIN: 21027388AAAACC7768

Place: Bengaluru

Date: 18 October 2021

Summit Developments Private Limited

CIN: U70200KA2011PTC057054

Balance sheet

(all amounts in ₹ thousands unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Investment property	4	42,393.67	42,393.67
Investment property under development	5	23,392.29	22,555.39
Financial assets			
- Investments	6	4,96,236.50	4,96,236.50
Other non-current assets	7	12,17,494.30	12,17,494.30
Total non-current assets		17,79,516.76	17,78,679.86
Current assets			
Financial assets			
- Cash and cash equivalents	8	1,101.20	682.25
- Loans	9	5,48,180.80	5,80,089.70
		5,49,282.00	5,80,771.95
		23,28,798.76	23,59,451.81
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	101.01	101.01
Other equity	11	(1,04,97,122.46)	(36,63,322.54)
		(1,04,97,021.45)	(36,63,221.53)
Current liabilities			
Financial liabilities			
- Other financial liabilities	12	1,28,10,784.70	60,07,545.63
Other current liabilities	13	15,035.51	15,127.71
		1,28,25,820.21	60,22,673.34
		23,28,798.76	23,59,451.81

Significant accounting policies

3

The notes referred to above form an integral part of these financial statements
As per our report of even date attached

for **NSVM & Associates**

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of
Summit Developments Private Limited

D N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: 13/10/2021

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 13/10/2021

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 13/10/2021

Summit Developments Private Limited

CIN: U70200KA2011PTC057054

Statement of profit and loss

(all amounts in ₹ thousands unless otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Other income		-	-
Total income		-	-
Expenses			
Other expenses	14	66,83,122.82	10,21,678.61
Finance costs	15	1,50,677.10	1,50,677.10
Total expenses		68,33,799.92	11,72,355.71
Loss before tax		(68,33,799.92)	(11,72,355.71)
Tax expense	20	-	-
- Current tax		-	-
- Deferred tax charge / (credit)		-	-
Loss for the year		(68,33,799.92)	(11,72,355.71)
Total comprehensive loss for the year		(68,33,799.92)	(11,72,355.71)
Loss per share (equity shares, par value of Rs 10 each)			
- Basic (Rs.)	18	(6,76,546.87)	(1,16,063.33)
- Diluted (Rs.)	18	(6,76,546.87)	(1,16,063.33)

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of
Summit Developments Private Limited

D N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: 13/10/2021

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 13/10/2021

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 13/10/2021

Summit Developments Private Limited

CIN: U70200KA2011PTC057054

Statement of cash flow

(all amounts in ₹ thousands unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Loss for the year	(68,33,799.92)	(11,72,355.71)
Adjustments:		
Fair valuation loss on derivative financial liability	66,70,850.20	10,17,800.00
Interest expenses	1,50,677.10	1,50,677.10
Operating cash flow before working capital changes	(12,272.62)	(3,878.61)
Changes in working capital		
Other current liabilities	(92.20)	(508.29)
Other financial liabilities	249.26	(739.71)
Other non-current and current assets	-	115.11
Cash generated from/ (used in) operations	(12,115.56)	(5,011.50)
Income taxes (paid)/ refund, net	-	-
Net cash generated from/ (used in) operating activities	(12,115.56)	(5,011.50)
Cash flow from investing activities		
Soft cost capitalisation on investment property	(4,599.60)	(9,661.74)
Advances (given)/ refunded for purchase of land	-	12,54,000.00
Net cash generated from investing activities	(4,599.60)	12,44,338.26
Cash flow from financing activities		
Interest paid	(14,774.79)	(15,067.71)
Repayment of borrowings	-	(6,44,389.15)
Inter corporate deposit (paid)/received	31,908.90	(5,80,089.70)
Net cash generated from / (used in) financing activities	17,134.11	(12,39,546.56)
Net increase/ (decrease) in cash and cash equivalents	418.95	(219.80)
Cash and cash equivalents at the beginning of the year	682.25	902.05
Cash and cash equivalents at the end of the year	1,101.20	682.25
Components of cash and cash equivalents		
Cash and cash equivalents (refer note 8)	1,101.20	682.25
	1,101.20	682.25

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Summit Developments Private Limited**D N Sree Hari**

Partner

Membership number: 027388

Place: Bengaluru

Date: 13/10/2021

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 13/10/2021

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 13/10/2021

Summit Developments Private Limited
CIN: U70200KA2011PTC057054
Statement of changes in equity
(all amounts in ₹ thousands unless otherwise stated)

(A) Equity share capital

Particulars	Amount
Equity shares of Rs 10 each issued, subscribed and fully paid	
Balance as at 1 April 2019	101.01
Add: issued during the year	-
Balance as at 31 March 2020	101.01
Balance as at 1 April 2020	101.01
Changes during the period ended	-
Balance as at 31 March 2021	101.01
Refer note 11	

(B) Other Equity*

Particulars	Securities premium	Retained earnings	Total other equity
Balance as at 1 April 2019	1,39,457.06	(26,30,423.89)	(24,90,966.83)
Loss for the year	-	(11,72,355.71)	(11,72,355.71)
Balance as at 31 March 2020	1,39,457.06	(38,02,779.60)	(36,63,322.54)
Balance as at 1 April 2020	1,39,457.06	(38,02,779.60)	(36,63,322.54)
Loss for the period	-	(68,33,799.92)	(68,33,799.92)
Balance as at 31 March 2021	1,39,457.06	(1,06,36,579.52)	(1,04,97,122.46)

*Refer note 11

Significant accounting policies 3

The notes referred to above form an integral part of the financial statements.
As per our report of even date

for NSVM & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Summit Developments Private Limited

D N Sree Hari
Partner
Membership number: 027388

Jitendra Virwani
Director
DIN: 00027674

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: 13/10/2021

Place: Bengaluru
Date: 13/10/2021

Place: Bengaluru
Date: 13/10/2021

1 Company background

Summit Developments Private Limited ("SDPL" or "the Company") was incorporated on 11 February 2011 as a private limited company under the provisions of the Companies Act, 1956. The registered office of the Company is at Bengaluru, India. The Company is engaged in the business of real estate development. The Company has invested in a subsidiary (Saphire Realtors Private Limited) which hold 204 acres of land on which an integrated township is planned to be developed.

2 Basis of preparation

2.01 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ('Ind AS'), read with relevant rules issued thereunder and other accounting principles generally accepted in India, and other relevant provisions of the Act.

The financial statements were approved for issue by the Company's Board of Directors on 13th October, 2021.

2.02 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded -off to the nearest thousands, unless otherwise indicated.

2.03 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values.

2.04 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.05 Judgements

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 3.03: Classification and recognition of fair value changes in embedded derivatives

2.06 Use of going concern assumptions

The Company's financial statements have been prepared on a going concern basis notwithstanding the fact that it has a negative net worth of Rs.104,97,021.44 thousand as at 31 March 2021 and has incurred a net loss of Rs. 68,33,799.91 thousand during year ended 31 March 2021. Further, the Company's current liabilities exceeded its current assets by Rs. 122,76,538.20 thousand as at that date. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on financial support committed to the Company by the holding company.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

3 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.01 Recognition of dividend income, interest income and expense

a) Dividend income

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

b) Interest income and expense

Interest income or expense is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of a financial asset; or
- the amortised cost of financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.02 Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial assets or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at,

- amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrecoverably elect to present subsequent changes in investment's fair value in OCI (designated as FVOCI - equity investment). The election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial asset to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risk that affects the performance of the business model (and the financial asset held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of the financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

To assess whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate futures;
- prepayments and extension features; and
- terms that limits the Company's claim to cash flows from specified assets (e.g. non-recourse feature)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL :

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost :

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities : Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains or losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit and loss.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of the ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

iii. Derecognition (continued)

Financial Liabilities

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the extinguished liability and the new financial liability with modified terms is recognised in profit and loss.

iv. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.03 Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

3.04 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.05 Investment Property

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying values as at 1 April 2015 under previous GAAP of all its property, plant and equipment recognised as at 1 April 2015, measured as per previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

3 Significant accounting policies (continued)

3.06 Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT')

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.07 Provisions

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-fix rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A Contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3.08 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

3.09 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

3.10 Earnings per share

The basic loss per share is computed by dividing the net profit/ (loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3 Significant accounting policies (continued)

3.11 a. Exemption from preparation of consolidated financial statements:

As per Ind AS 110, paragraph 4(a), a Parent company need not present consolidated financial statements if it meets following conditions:

i) It is a wholly owned subsidiary or is a partially owned subsidiary of another company and all its other members, including those not otherwise entitled to vote, have been intimated in writing and for which the proof of delivery of such intimation is available with the company, do not object to the company not presenting consolidated financial statements.

ii) Its ultimate or intermediate holding company files the consolidated financial statements with the registrar which are in compliance with the applicable accounting standards.

The financials statements are separate financial statements and the exemption from consolidation has been used, as the parent company informed the other shareholders about its intention of not presenting consolidated financial statements.

b. List of significant investment in subsidiaries, joint ventures and associates:

Sl.No.	Name of the investees	Proportion of ownership interest	Principal place of business	Method used to account
1	Saphire Realtors Private Limited	99%	Bengaluru	Carried at cost

Summit Developments Private Limited

CIN: U70200KA2011PTC057054

Notes to the financial statements for the year ended 31 March 2021(continued)

(all amounts in ₹ thousands unless otherwise stated)

4 Investment property

Reconciliation of carrying amount for the year ended 31 March 2021 and 31 March 2020

Particulars	Tangible Freehold land	Total
<u>Gross carrying amount (cost or deemed cost):</u>		
Balance as at 1 April 2019	42,393.67	42,393.67
Additions	-	-
Deletions	-	-
Balance as at 31 March 2020	42,393.67	42,393.67
 Balance as at 1 April 2020	 42,393.67	 42,393.67
Additions	-	-
Deletions	-	-
Balance as at 31 March 2021	42,393.67	42,393.67
 <u>Accumulated depreciation</u>		
Balance as at 1 April 2019	-	-
Depreciation for the year	-	-
Balance as at 31 March 2020	-	-
 Balance as at 1 April 2020	 -	 -
Depreciation for the year	-	-
Balance as at 31 March 2021	-	-
 <u>Carrying amount: (net)</u>		
As at 31 March 2021	42,393.67	42,393.67
As at 31 March 2020	42,393.67	42,393.67
 <u>Fair value (refer note iii below)</u>		
Balance as at 31 March 2021	61,400.00	61,400.00
Balance as at 31 March 2020	61,300.00	61,300.00

Notes :

i) Amounts recognised in profit and loss for investment property	31st March 2021	31st March 2020
Rental income derived from investment properties	-	-
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	(195.80)	(518.59)
Loss arising from investment properties before depreciation and indirect expenses	(195.80)	(518.59)
Less: Depreciation and amortisation	-	-
Loss arising from investment properties	(195.80)	(518.59)

ii) Restriction on realisability

The Company has no restrictions on the realisability of its investment property.

iii) Fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the non availability of the business plan for the property, the Company has used "Direct Comparison" method approach for assessing the fair value of the property.

The "Direct Comparison Approach" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable.

5 Investment property under development *

Particulars	Total
<u>Gross amount</u>	
Balance as at 1 April 2019	14,185.59
Additions	8,369.80
Balance as at 31 March 2020	22,555.39
Balance as at 1 April 2020	22,555.39
Additions	836.90
Balance as at 31 March 2021	23,392.29
<u>Carrying amount (net):</u>	
As at 31 March 2020	22,555.39
As at 31 March 2021	23,392.29

* Investment property under development pertains to development of commercial leasing space.

Summit Developments Private Limited

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Notes to the financial statements for the year ended 31 March 2021(continued)

(all amounts in ₹ thousands unless otherwise stated)

6 Investments

Particulars	As at 31 March 2021	As at 31 March 2020
Unquoted		
Investments carried at cost		
Investment in equity instruments of subsidiary company		
- Sapphire Realtors Private Limited	4,96,236.50	4,96,236.50
[49,499,900 (31 March 2020 : 49,499,900) equity shares of Rs 10 each, fully paid-up]		
[% of holding in subsidiary - 99% (31 March 2020 - 99%)]		
	4,96,236.50	4,96,236.50

Note:

- (i) Sapphire Realtors Private Limited ('SRPL') has invested in two hundred and six acres and fourteen guntas of land bearing survey number 223 and 149/2 in Tarahunise village, Jala Hobli, Bengaluru from Southern Paradise Stud and Developers Farms Private Limited. The said land is pending registration in the name of the Sapphire Realtors Private Limited (SRPL).
- (ii) The Company has opted to account for investments in subsidiary at cost as per Ind-AS 27 'Separate financial statements'

Aggregate value of unquoted investments	4,96,236.50	4,96,236.50
Aggregate amount of impairment in value of investment	-	-
Investment measured at cost	4,96,236.50	4,96,236.50
Investment measured at fair value through profit or loss	-	-
Investment measured at fair value through OCI	-	-

7 Other non-current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Others		
- Advance paid for purchase of land (refer note (i) below)	12,17,494.30	12,17,494.30
	12,17,494.30	12,17,494.30

- (i) The Company has made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216.04 acres of land in Bengaluru. The Company had made an advance payment of Rs 1,217,494.30 thousands in earlier years in accordance with the demand request raised by KIADB. The State of Karnataka (State Government) has issued notification under section 1(3), 3(1) and 28(1) of the Karnataka Industrial Areas Development Act, 1966 (the Act) declaring the subject land as industrial area, but the final notification under section 28(4) of the Act was pending to be issued by the State Government. The Company has filed a writ petition in The Honourable High Court of Karnataka (Court), against the State Government seeking the Court to issue a direction to the State Government to issue the final notification under Section 28(4) of the Act, and also against KIADB seeking the Court to issue a direction to KIADB to complete the acquisition proceedings in respect of the property, handover the possession of the same to the Company and execute absolute sale deeds in favour of the Company, at the earliest. The Court has issued an order on 13 January 2017, directing the State Government to issue final notification under Section 28(4) of the Act. It also ordered to the other respondents to expedite all further actions that are required to be taken in the matter in accordance with law without causing further delays. The State Government has issued a notification on 28 February 2018 under section 28(4) of the Act declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of Rs 728,782.94 thousand on 13 January 2021 as final compensation to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Company. The Company has paid the same before balance sheet signing date.

8 Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	1,101.20	682.25
	1,101.20	682.25

9 Loans

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Intercompany deposit		
- to related party *(refer note 19)	5,48,180.80	5,80,089.70
	5,48,180.80	5,80,089.70

* Inter corporate deposit given to holding company which is repayable on demand.

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Notes to the financial statements for the year ended 31 March 2021(continued)

(all amounts in ₹ thousands unless otherwise stated)

10 Equity Share capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised Capital		
50,000 (previous year: 50,000) equity shares of Rs 10 each	500.00	500.00
Issued, subscribed and fully paid-up capital		
10,101 (previous year: 10,101) equity shares of Rs 10 each, fully paid-up	101.01	101.01
	101.01	101.01

(a) Equity shareholders holding more than 5 percent equity shares in the Company :

Particulars	As at 31 March 2021	As at 31 March 2020
Number of shares		
Embassy Property Developments Private Limited (Holding Company)	-	9,999
Embassy Property Developments Private Limited (Holding Company) Jointly with Jitendra Virwani	-	10
NAM Estates Private Limited*	9,999	-
NAM Estates Private Limited Jointly with Jitendra Virwani	10	-
% of total share capital		
Embassy Property Developments Private Limited (Holding Company)	-	98.99%
Embassy Property Developments Private Limited (Holding Company) Jointly with Jitendra Virwani	-	0.10%
NAM Estates Private Limited*	98.99%	-
NAM Estates Private Limited Jointly with Jitendra Virwani	0.10%	-

During the year ended 31 March, 2021, NAM Estates Private Limited ("NEPL") and its holding company Embassy Property Developments Private Limited ("EPDPL") have entered into a Scheme of Arrangement ('Demerger Scheme') and approved by respective Boards, under section 233 and other applicable provisions of the Companies Act, 2013 for demerger of certain assets and liabilities forming part of the Demerged Undertaking from EPDPL to NEPL. The Demerger Scheme is approved by the Regional Director (South Eastern Region) as on 4th August 2021 with the appointed date as 1 April, 2020. Accordingly, all the assets and liabilities pertaining to the Demerged Undertaking including employees and investment in subsidiaries joint venture and partnership firms, as defined in the Scheme, stand transferred and vested into NEPL from its Appointed Date i.e. 1st April 2020. Certain assets and immovable property, are in the process of being registered in the name of NEPL. However, as the scheme is operative as on the date of approval of this financials, the details of shareholders have been reflected accordingly.

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at 31 March 2021	As at 31 March 2020
Number of shares at the beginning of the year	10,101	10,101
Number of shares issued during the year	-	-
Number of shares outstanding at the end of the year	10,101	10,101

(c) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

On 17 August 2011 the Company, the equity shareholders and the holders of 5% fully and compulsorily convertible debentures ("investors") have entered into a subscription agreement ("the Agreement") which specifies the rights, restrictions and terms of equity shareholders as well as debenture holders, the salient features are given below:

The Company shall not declare any dividends unless otherwise approved by the Board of Directors and/or shareholders in accordance with the terms of the agreement.

Any distributable amount will be distributed to the equity share holders and the holders of compulsorily convertible debentures in the manner agreed between the Company, the equity share holders and the debenture holders.

The equity share holders cannot transfer their shares to any person till such time the investors hold any securities in the Company, unless the equity share holders obtain the prior written permission of the debenture holders. However, the equity share holders can sell up to a maximum of 10% of equity shares held by them, with the prior written consent of debenture holders (which shall not be unreasonably withheld) subject to compliance with certain specific performance conditions as mentioned in the agreement.

The equity share holders have the right to nominate and appoint two Directors to the Board of Directors and the debenture holders shall have the right to nominate one non-retiring Director to the Board of Directors.

(d) Buy back of shares and shares allotted by way of bonus shares and shares issued for consideration other than cash

The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has it bought back any class of equity shares or issued shares for consideration other than cash during the period of five years immediately preceding the balance sheet date.

11 Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
Reserve and surplus*		
Securities premium	1,39,457.06	1,39,457.06
Retained earnings	(1,06,36,579.52)	(38,02,779.60)
At the end of the year	(1,04,97,122.46)	(36,63,322.54)

* Refer Statement of changes in equity for detailed movement in other equity balances.

Security premium

Securities premium is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of section 52(2) of Companies Act, 2013.

Retained earnings

The cumulative loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the loss is transferred from the statement of profit and loss to the retained earnings account.

12 Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term debt:		
- 5% fully and compulsorily convertible debentures of Rs 10 each (Refer Note A)	1,16,32,150.20	49,61,300.00
Interest accrued and not due (Refer Note A)		
- on 5% fully and compulsorily convertible debentures	11,74,146.30	10,38,243.99
Other liabilities		
Payable for expenses towards investment property	3,163.75	6,926.46
Other payables	1,324.45	1,075.18
	1,28,10,784.70	60,07,545.63

A 5 % fully and compulsorily convertible debentures: Key terms

Repayment terms and interest rate of debentures

- The debentures shall carry interest at 5% per annum on the principal amount till the date of conversion. Interest shall be payable as on 31 March of each year ("Payment date"). All payments of interest rate shall be made net of any applicable withholding tax, payable in relation to such amounts. The interest is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date.
- The debentures shall be compulsorily converted into equity shares in the following manner on expiry of 30 April 2021 (31 July 2020 prior to execution of the fifth amendment to Securities Subscription and Shareholders agreement dated 29 July 2019) or in the event of default, as defined in securities subscription and shareholders agreement dated 17 August 2011, whichever is earlier.
 - At any time after the expiry of 30 April 2021 the holder of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted upon such conversion represents 18.59% of the share capital of the Company on a fully diluted basis as on the date of conversion.
 - at any time after the occurrence of an event of default, the holders of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted on such conversion represents 51% of the share capital of the Company on a fully diluted basis as on the date of the conversion.

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Notes to the financial statements for the year ended 31 March 2021(continued)

(all amounts in ₹ thousands unless otherwise stated)

While the CCDs are mandatorily convertible into equity shares at any time after the expiry of 30 April 2021 as per the extended agreement dated 30 July 2020, in accordance with the requirements of Guidance Note on Schedule III to the Companies Act, 2013, the conversion of CCDs into equity shares are considered as a means of settlement of the liability and since the investors have a right to convert after the expiry of 30 April 2021, these CCDs are classified as other current financial liabilities as at 31 March 2021.

The interest on 5% fully and compulsorily convertible debentures of INR 10 each is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date. The Management believes that there will not be any availability of distributable cash flow as the projects are yet to commence and hence the interest accrued till date on the same has been classified under "Other current financial liabilities".

During the year ended March 31, 2021, the CCD holders have issued an 'event of default' notice under the provisions of the Securities Subscription and Shareholders Agreement dated August 17, 2011. Subsequently, the Company, Embassy Property Development Private Limited (EPDPL) and the CCD holders have entered into an agreement whereby EPDPL will buy out the CCD's for an agreed consideration. Pursuant to the agreement between the Company, EPDPL and the CCD holders, the event of default is in a standstill period and will be resolved on the CCDs being purchased by EPDPL.

Name of debenture holder	(₹. in thousands, except number of debentures)			
	As at 31 March 2021		As at 31 March 2020	
	No. of debentures	Subscription Amount	No. of debentures	Subscription Amount
Pollhater Investments Limited	27,79,20,741	27,79,207	27,79,20,741	27,79,207
HDFC Ventures Trustee Company Limited on behalf of HDFC Investment Trust	2,34,33,452	2,34,335	2,34,33,452	2,34,335

13 Other current liabilities

Particulars	As at	As at
	31 March 2021	31 March 2020
Statutory dues	15,035.51	15,127.71
	15,035.51	15,127.71

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Summit Developments Private Limited**CIN: U70200KA2011PTC057054****Notes to the financial statements for the year ended 31 March 2021(continued)**

(all amounts in ₹ thousands unless otherwise stated)

14 Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rates and taxes	2,206.60	195.79
Exchange loss	99.90	-
Legal and professional	9,777.67	2,960.42
Fair valuation loss on financial liability	66,70,850.20	10,17,800.00
Security Charges	-	322.80
Miscellaneous	188.45	399.60
	66,83,122.82	10,21,678.61

15 Finance costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest cost on financial liabilities		
- on debentures	1,50,677.10	1,50,677.10
	1,50,677.10	1,50,677.10

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16 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 March 2021	As at 31 March 2020
Contingent liabilities:		
a) Claims against the Company not acknowledged as debt in respect of Income-Tax matters (refer note a below)	-	-
Capital commitments:		
b) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (refer note b below)	7,52,100.30	5,92,064.67

a) The Income Tax department has launched the proceedings u/s 276B against the company and principle officer in respect of defaults in payment of Tax deducted at source. The company is contesting the proceedings initiated before the Honourable High court of Karnataka. The quantification of financial default is not ascertainable pending final judgement at this point of time. Hence the amount couldn't be quantified at the balance sheet date and not provided for.

b) (i) The Company had made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bangalore. The Company had made an advance payment of Rs 1,217,494.30 thousands in earlier years in accordance with the demand request raised by KIADB. The State government has issued a notification on 28 February 2018 declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of Rs 728,782.94 thousand on 13 January 2021 as final compensation to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Company. The Company is in the process of paying the amount demanded.

(ii) Estimated amount of contracts remaining to be executed on projects(net of advance) and not provided for - Rs.30,756.11 thousands for the year ended 31st March 2021 (31 March 2020: Rs. 11,187.87 thousands)

17 Auditors remuneration included in legal and professional charges (excluding applicable Goods and Services tax)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor		
- statutory audit	600.00	600.00
Reimbursement of expenses	-	25.17
	600.00	625.17

18 Earnings/ (loss) per share**A. Basic earnings per share**

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit /(loss) attributable to equity holders (after adjusting for interest on the compulsorily convertible debentures) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

A. Basic and diluted earnings per share

The following table sets forth the computation of basic and diluted earnings per share :

		(₹. in thousands except per share data)	
Particulars	Units	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss for the year attributable to equity shareholders	₹. in thousands	(68,33,799.92)	(11,72,355.71)
Weighted average number of equity shares of Rs 10 each used for calculation of basic and diluted earnings per share	Number	10,101	10,101
Loss per share, basic and diluted	₹	(6,76,546.87)	(1,16,063.33)

B Dilutive earnings per share

Particulars	Units	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss for the year attributable to equity shareholders	₹. in thousands	(68,33,799.92)	(11,72,355.71)
Add: Interest on compulsory convertible debentures		-	-
Loss for the year		(68,33,799.92)	(11,72,355.71)
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share	Number	10,101	10,101
Add: Dilutive effect of convertible debentures		-	-
Weighted average number of equity shares of Rs 10 each used for calculation of dilutive earnings per share		10,101	10,101
Loss per share, dilutive	₹	(6,76,546.87)	(1,16,063.33)

For the year ended 31 March 2021: 301,354,193 (March 2020: 301,354,193) compulsorily convertible debentures were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

19 Related parties disclosures**(i) Names of related parties and description of relationship****Enterprises and individuals where control exists**

Ultimate holding company

JV Holding Private Limited

Holding company

Embassy Property Developments Private Limited

NAM Estates Private Limited *

Subsidiary company

Saphire Realtors Private Limited

Other related parties with whom transactions have taken place during the year**Parties where significant influence exists with whom transactions have taken place**

Udhyaman Investments Private Limited

Key management personnel

Jitendra Virwani - Director

P R Ramakrishnan - Director

The non executive directors on the Board of the Company are:

Keyur S Shah - Nominee Director (w.e.f. 5 August 2019)

(ii) Related Party transactions during the year:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Inter corporate deposit received /(repaid), net		
Embassy Property Developments Private Limited	-	(6,44,389.15)
Inter corporate deposit given /(received), net		
Embassy Property Developments Private Limited	-	5,80,089.70
NAM Estates Private Limited *	(31,908.90)	-
Refund from advance paid for purchase of land		
Udhyaman Investments Private Limited	-	12,54,000.00

*Shares transferred pursuant to Scheme of amalgamation/demerger of Embassy Property Developments Private Limited with NAM Estates Private Limited, approved by Regional Director on 04th August 2021, the Intercompany Deposit shall be moved to NAM Estates Private Limited. Refer Note 10 (a) .

(iii) Balances receivable from and payable to related parties

Particulars	As at 31 March 2021	As at 31 March 2020
Inter corporate loan (given)		
Embassy Property Developments Private Limited	-	5,80,089.70
NAM Estates Private Limited *	5,48,180.80	-

Summit Developments Private Limited

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Notes to the financial statements for the year ended 31 March 2021(continued)

20 Tax expense

A. No income tax expense was recognised in the statement of profit and loss account.

B. Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting profit/ (loss) before income tax	(68,33,799.92)	(11,72,355.71)
Domestic tax rate	26.00%	26.00%
	(17,76,787.98)	(3,04,812.49)
Ind AS notional expense	17,34,421.05	2,64,628.00
Amount inadmissible	522.81	6.19
Disallowance u/s 40(a)(i) & 40(a)(ia)	30,060.19	33,529.92
Disallowance u/s 43B	-	-
Disallowance u/s 36(1)(iii)	7,385.42	3,715.95
allowance u/s 40(a)(ia)	-	(46.80)
Tax using the Company's domestic tax rate	(4,398.51)	(2,979.23)
Effect of		
Current year losses for which no deferred tax asset is recognised	4,398.51	2,979.23
Income tax expense	0.00	-

C. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	(₹. in thousands)	
	As at 31 March 2021	As at 31 March 2020
Unused tax losses	20,35,287.49	20,18,370.13
	20,35,287.49	20,18,370.13

21 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "development, rental and maintenance of serviced residence"). However, the Company has not commenced its operations as at the year end.

Summit Developments Private Limited**CIN: U70200KA2011PTC057054****Notes to the financial statements for the year ended 31 March 2021(continued)**

- 22 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act is not expected to be material. The Company does not have any interest dues to micro and small enterprises as at March 31, 2021, the details of principal payment has been made below:

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	-	-
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;	-	-
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

23 Expenditure on Corporate Social Responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2021.

24 Financial instruments - Fair value measurements and category

A. Accounting classifications and fair value

The carrying value and fair value of financial instruments by categories are as below:

(₹. in thousands)

Particulars	Carrying value		Fair value	
	As at	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Financial assets measured at amortised cost				
Loans	5,48,180.80	5,80,089.70	-	-
Cash and cash equivalents	1,101.20	682.25	-	-
Total assets	5,49,282.00	5,80,771.94	-	-

(₹. in thousands)

Particulars	Carrying value		Fair value	
	As at	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Financial liabilities measured at amortized cost				
Other financial liabilities	11,78,634.50	10,46,245.63	-	-
Financial liabilities measured at FVTPL				
Other financial liabilities	1,16,32,150.20	49,61,300.00	1,16,32,150.20	49,61,300.00
Total liabilities	1,28,10,784.69	60,07,545.63	1,16,32,150.20	49,61,300.00

The management has assessed that fair value of other receivables, cash and cash equivalents, borrowings, other financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

B. Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended 31 March 2021 and 31 March 2020.

C. Accounting classification and fair value

Particulars	Level 1	Level 2	Level 3	Total
Other financial liabilities	-	-	1,16,32,150.20	1,16,32,150.20
	-	-	1,16,32,150.20	1,16,32,150.20

Significant unobservable inputs used in measuring fair value

Particulars	Fair Value as at 31 March 2021	Valuation technique
5% fully and compulsorily convertible debentures	1,16,32,150.20	Agreed Price between between Promoter and holders of Debentures (refer note 12A)

25 Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- liquidity risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Company's cash and cash equivalents and other receivables from related party. The carrying amount of financial assets represents the maximum credit exposure.

(i) Cash and cash equivalents

The Company holds cash and cash equivalents of Rs.1,101.21 thousands at 31 March 2021 (31 March 2020: Rs 682.26 thousands). The cash and cash equivalents are mainly held with banks which are highly rated. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

(ii) Other receivables

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of other receivables based on the past and the recent collection trend. All the other receivables are from a related party. The Company does not have any amount due from other receivables as at 31 March 2021.

(b) Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company operates domestically. There are no foreign exchange transactions in the year of reporting.

(ii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates is nil as it does not have any debt obligations with floating interest rates.

(c) Liquidity Risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

		(₹. in thousands)				
Particulars	Carrying value	Contractual cash flows				
		Total	1 year or less	1 to 3 years	3 to 5 years	more than 5 yrs.
31 March 2021						
Other financial liabilities	11,75,470.74	11,75,470.74	11,75,470.74	-	-	-
	11,75,470.74	11,75,470.74	11,75,470.74	-	-	-
31 March 2020						
Other financial liabilities	10,39,319.17	10,39,319.17	10,39,319.17	-	-	-
	10,39,319.17	10,39,319.17	10,39,319.17	-	-	-

26 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a ratio of net adjusted debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising obligations, trade payables and other liabilities less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2021 was as follows.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	(₹. in thousands)	
	As at 31 March 2021	As at 31 March 2020
Total liabilities	1,28,25,820.21	60,22,673.34
Less: Cash and bank balances	(1,101.20)	(682.25)
Adjusted debt	1,28,24,719.00	60,21,991.09
Adjusted total equity	(1,04,97,021.45)	(36,63,221.53)
Adjusted debt to adjusted equity ratio	(1.22)	(1.64)

27 Uncertainty relating to the global health pandemic on COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings in view of COVID – 19 as at the date of approval of these financial statements. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

for NSVM & Associates

Chartered Accountants

Firm's Registration No:010072S

for and on behalf of the Board of Directors of

Summit Developments Private Limited

D N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: 13/10/2021

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 13/10/2021

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 13/10/2021

INDEPENDENT AUDITORS' REPORT

To the Members of Summit Developments Private Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Summit Developments Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss(including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) As stated in Note no: 31 to the financial statements, the company had taken a loan amounting to Rs.23,519.12 thousands during the current financial year from a company in which a director is interested (Cumulative loan taken is Rs.10,57,508.27 thousands). However, the company has repaid entire aforesaid loan. As per the requirement of Section 185 of the Companies Act, 2013("Act"), no company shall directly or indirectly provide any loan or give any guarantee or provide any security to a person whom a directly is interested. Accordingly, the aforesaid Intercompany Deposit(loan) received by the company is not in compliance with the requirement of the Act. However, impact of this non-compliance has not been quantified by the company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of

Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The financial statements of the Company for the year ended March 31, 2019, included in these financial statements, have been audited by the M/s BSR & Associates LLP who expressed a qualified opinion on those statements on September 27, 2019. The reason for qualified opinion as follows:

- a) the company has taken a loan amounting to Rs.20,38,099.76 thousands in the earlier years from a company in which a director is interested. The company has repaid an amount of Rs.13,93,710.61 thousands including Rs.3,84,250.85 thousands during in the current year towards the aforesaid loan. The cumulatively outstanding balance of the Intercompany

Deposit(loan) as on 31 March 2019 amounts to Rs.6,44,389.15 thousands. as per the requirement of Section 185 of the Companies Act, 2013(“Act”). No company shall directly or indirectly provide any loan or give any guarantee or provide any security to a person whom a directly is interested. Accordingly, the aforesaid Intercompany Deposit(loan) received by the company is not in compliance with the requirement of the Act. However, impact of this non-compliance has not been quantified by the company.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “**Annexure A**” statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. Except for the effects of the matters described in the basis of qualified opinion paragraph, We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, except for the effects of the matters described in the basis of qualified opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss(including other comprehensive income), and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, except for the effects of the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
 - g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note no.18 to the financial statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the matter to be included in the Auditor's Report under Section 197(16):

In our opinion and according to the information and explanation given to us, the Company is a private limited company and accordingly provision of section 197 of the Act is not applicable to the Company.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 20027388AAAAAI5551

Place: Bengaluru

Date: 09Th July 2020

Summit Developments Private Limited

Annexure A to the Independent Auditors' Report

The Annexure A referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report to the Members of Summit Developments Private Limited ('the Company') for the year ended 31 March 2020, we report that:

- (i) (a) The company does not hold any property, plant & equipment except a parcel of freehold land and hence paragraph 3(i)(a) and (b) of the order is not applicable.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of all the immovable properties are held in the name of the Company.
- (ii) The company is primarily engaged in the business of development real estate development. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has granted loans to a company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the terms and conditions of the Intercompany Deposit(loan) granted by the Company to the company covered in the register maintained under section 189 of the Companies Act, 2013, the Intercompany Deposit(loan) given is prejudicial to the interest of the Company, as disclosed below.
 - (b) in the case of the Intercompany Deposit(loan) granted to the company listed in the register under Sec 189 of the Act, the stipulation as to repayment of principle as specified below.
 - (c) the principal is repayable on demand and hence, there is no overdue as on date in the case of the Intercompany Deposit(loan) granted to the company listed in the register under Sec 189 of the Act.

Name of the company	Amount of Intercompany Deposit(loan)given during the year (Rs.)	Amount as at 31 March 2019 (Rs.)	Terms
Embassy Property Developments Private Limited(holding company)	58,60,91,732	Nil	Interest free Inter Corporate Deposit repayable on demand.

Summit Developments Private Limited

Annexure A to the Independent Auditors' Report

- (iv) In our opinion and according to the information and explanations given to us, except for the transaction stated in note 31 to the financial statements, the company has complied with the provision of Section 185 and Section 186 of the Act.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)
 - a) In our opinion and according to information and explanations given to us and basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect undisputed statutory dues including income taxes, Goods and service tax and any other material statutory dues have been regularly deposited during the year by the company with appropriate authorities.

In our opinion and according to the information and explanation given to us, no disputed amounts payable in respect of income tax, goods and service tax and any other statutory dues were in arrears as at 31st march 2020 for a period of more than six month from the date they became payable.

- b) In our opinion and according to the information and explanations given to us, there are no dues of income tax, goods and service and any other statutory dues which have not been deposited of account of any dispute.
- (viii) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to its debenture holders during the year. The Company did not any outstanding loans or borrowings from any financial institution or bank or government during the year.

Summit Developments Private Limited

Annexure A to the Independent Auditors' Report

- (ix) In our opinion and according to the information and explanation given to us, no money was raised by the way of public issue/follow-on-offer (inclusive debt instruments). The Company did not have any term loans outstanding during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon..
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

Summit Developments Private Limited

Annexure A to the Independent Auditors' Report

- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

for N S V M & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No: 027388

UDIN: 20027388AAAAAI5551

Place: Bengaluru

Date: 09th July 2020

Annexure – B to the Independent auditor’s report of even date on the financial statements of Summit Developments Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Summit Developments Private Limited (“the Company”) as of March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India” These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

for N S V M & Associates

Chartered Accountants

Firm Reg. No. 010072S

D N Sree Hari

Partner

Membership No. 027388

UDIN: 20027388AAAAAI5551

Place: Bengaluru

Date : 09th July 2020_____

Summit Developments Private Limited
CIN: U70200KA2011PTC057054
Balance sheet

(₹. in thousands)

	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Investment property	4	42,393.67	42,393.67
Investment property under development	5	22,555.39	14,185.59
Financial assets			
- Investment in subsidiary	6	496,236.50	496,236.50
Other non-current assets	7	1,217,494.30	2,471,494.30
		1,778,679.86	3,024,310.06
Current assets			
Financial assets			
- Cash and cash equivalents	8	682.26	902.05
- Loans	9	580,089.70	-
Other current assets	10	-	115.11
		580,771.95	1,017.16
		2,359,451.81	3,025,327.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	101.01	101.01
Other equity	12	(3,663,322.54)	(2,490,966.83)
		(3,663,221.53)	(2,490,865.82)
Current liabilities			
Financial liabilities			
- Borrowings	13	-	644,389.15
- Other financial liabilities	14	6,007,545.63	4,856,167.90
Other current liabilities	15	15,127.71	15,635.99
		6,022,673.34	5,516,193.04
		2,359,451.81	3,025,327.22

Significant accounting policies

3

The notes referred to above form an integral part of these financial statements

As per our report of even date attached

for **NSVM & Associates**

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Summit Developments Private Limited

D N Sree Hari

Partner

Membership number: 027388

Jitendra Virwani

Director

DIN: 00027674

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 09 July 2020

Place: Bengaluru

Date: 09 July 2020

Place: Bengaluru

Date: 09 July 2020

Summit Developments Private Limited

CIN: U70200KA2011PTC057054

Statement of profit and loss

		(₹. in thousands)	
	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Other income		-	-
Total income		-	-
Expenses			
Other expenses	16	1,021,678.62	1,203,441.13
Finance costs	17	150,677.10	150,677.10
Total expenses		1,172,355.71	1,354,118.23
Loss before tax		(1,172,355.71)	(1,354,118.23)
Tax expense	23	-	-
Loss for the year		(1,172,355.71)	(1,354,118.23)
Total comprehensive loss for the year		(1,172,355.71)	(1,354,118.23)
Loss per share (equity shares, par value of Rs 10 each)			
- Basic (Rs.)	21	(116,063.33)	(134,057.84)
- Diluted (Rs.)	21	(116,063.33)	(134,057.84)

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Summit Developments Private Limited**D N Sree Hari**

Partner

Membership number: 027388

Place: Bengaluru

Date: 09 July 2020

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 09 July 2020

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 09 July 2020

Summit Developments Private Limited
CIN: U70200KA2011PTC057054
Statement of changes in equity

(A) Equity share capital

Particulars

(₹. in thousands)

Balance as at 1 April 2018	101.01
Changes during the year ended	-
Balance as at 31 March 2019	101.01
Changes during the year ended	-
Balance as at 31 March 2020	101.01

(B) Other Equity

(₹. in thousands)

Particulars	Securities premium	Retained earnings	Total other equity
Balance as at 1 April 2018	139,457.06	(1,276,305.66)	(1,136,848.60)
Loss for the year	-	(1,354,118.23)	(1,354,118.23)
Balance as at 31 March 2019	139,457.06	(2,630,423.89)	(2,490,966.83)
Loss for the year	-	(1,172,355.71)	(1,172,355.71)
Balance as at 31 March 2020	139,457.06	(3,802,779.60)	(3,663,322.54)

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements.

As per our report of even date

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of

Summit Developments Private Limited

D N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: 09 July 2020

Jitendra Virwani

Director

DIN: 00027674

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P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 09 July 2020

Summit Developments Private Limited

CIN: U70200KA2011PTC057054

Statement of cash flow

	(₹. in thousands)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flow from operating activities		
Loss for the year	(1,172,355.71)	(1,354,118.23)
Adjustments:		
Fair valuation loss on derivative financial liability	1,017,800.00	1,201,300.00
Interest expenses	150,677.10	150,677.10
Operating cash flow before working capital changes	(3,878.62)	(2,141.13)
Changes in working capital		
Other current liabilities	(508.28)	567.68
Other financial liabilities	(739.71)	1,195.93
Other non-current and current assets	115.11	(115.11)
Cash generated from/ (used in) operations	(5,011.50)	(492.63)
Income taxes (paid)/ refund, net	-	-
Net cash generated from/ (used in) operating activities	(5,011.50)	(492.63)
Cash flow from investing activities		
Purchase of investment properties	(9,661.74)	(5,967.19)
Advances (given)/ refunded for purchase of land	1,254,000.00	16,000.00
Net cash generated from investing activities	1,244,338.26	10,032.81
Cash flow from financing activities		
Interest paid	(15,067.71)	(15,067.71)
Repayment of borrowings	(644,389.15)	(384,250.84)
Inter corporate deposit (paid)/received	(580,089.70)	389,691.51
Net cash generated from / (used in) financing activities	(1,239,546.56)	(9,627.04)
Net increase/ (decrease) in cash and cash equivalents	(219.79)	(86.87)
Cash and cash equivalents at the beginning of the year	902.05	988.92
Cash and cash equivalents at the end of the year	682.26	902.05
Components of cash and cash equivalents		
Cash and cash equivalents (refer note 8)	682.26	902.05
	682.26	902.05

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

for and on behalf of the Board of Directors of
Summit Developments Private Limited**D N Sree Hari**

Partner

Membership number: 027388

Place: Bengaluru

Date: 09 July 2020

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 09 July 2020

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 09 July 2020

Summit Developments Private Limited

CIN: U70200KA2011PTC057054

Notes to the financial statements

(All amounts are in thousands, except share data or as stated)

1 Company background

Summit Developments Private Limited ("SDPL" or "the Company") was incorporated on 11 February 2011 as a private limited company under the provisions of the Companies Act, 1956. The registered office of the Company is at Bengaluru, India. The Company is engaged in the business of real estate development. The Company has invested in a subsidiary (Saphire Realtors Private Limited) which hold 204 acres of land on which an integrated township is planned to be developed.

2 Basis of preparation

2.01 The financial statements has been prepare to facilitate the management for the purpose of proposed restructuring of the entity.

2.02 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013, (the "Act") and other relevant provisions of the Act.

The financial statements were authorised for issue for the said purpose laid down in Note 2.1 by the Company's Board of Directors on 09 July 2020.

2.03 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded -off to the nearest thousands, unless otherwise indicated.

2.04 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values.

2.05 Use of estimates and judgements

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.06 Judgements

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 3.03: Classification and recognition of fair value changes in embedded derivatives

2.07 Use of going concern assumptions

The Company's financial statements have been prepared on a going concern basis notwithstanding the fact that it has a negative net worth of Rs. 36,63,221.53 thousand as at 31 March 2020 and has incurred a net loss of Rs. 11,72,355.71 thousand for the year ended 31 March 2020. Further, the Company's current liabilities exceeded its current assets by Rs. 54,41,901.39 thousand as at that date. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on financial support committed to the Company by the hoding company, Embassy Property Developments Private Limited.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

3 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.01 Recognition of dividend income, interest income and expense

a) Dividend income

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

b) Interest income and expense

Interest income or expense is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of a financial asset; or
- the amortised cost of financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.02 Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial assets or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at,

- amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrecoverably elect to present subsequent changes in investment's fair value in OCI (designated as FVOCI - equity investment). The election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial asset to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risk that affects the performance of the business model (and the financial asset held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of the financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

To assess whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate futures;
- prepayments and extension features; and
- terms that limits the Company's claim to cash flows from specified assets (e.g. non-recourse feature)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL :

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost :

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities : Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains or losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit and loss.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of the ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

iii. Derecognition (continued)

Financial Liabilities

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the extinguished liability and the new financial liability with modified terms is recognised in profit and loss.

iv. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.03 Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

3.04 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.05 Investment Property

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued

3.06 Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT')

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

3 Significant accounting policies (continued)

3.06 Taxes (continues)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.07 Provisions

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-fix rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A Contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3.06 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

3.07 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

3 Significant accounting policies (continued)

3.08 Earnings per share

The basic loss per share is computed by dividing the net profit/ (loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3 Significant accounting policies (continued)

3.09 a. Exemption from preparation of consolidated financial statements:

As per Ind AS 110, paragraph 4(a), a Parent company need not present consolidated financial statements if it meets following conditions:

i) It is a wholly owned subsidiary or is a partially owned subsidiary of another company and all its other members, including those not otherwise entitled to vote, have been intimated in writing and for which the proof of delivery of such intimation is available with the company, do not object to the company not presenting consolidated financial statements.

ii) Its ultimate or intermediate holding company files the consolidated financial statements with the registrar which are in compliance with the applicable accounting standards.

The financials statements are separate financial statements and the exemption from consolidation has been used, as the parent company informed the other shareholders about its intention of not presenting consolidated financial statements.

b. List of significant investment in subsidiaries, joint ventures and associates:

SL.NO.	Name of the investees	Proportion of ownership	Principal place of	Method used to account
1	Saphire Realtors Private Limited	99%	Bengaluru	carried at cost

3.10 Recent accounting pronouncements (Standards issued but not yet effective)

The amendments are proposed to be effective for reporting periods beginning on or after 1 April 2020.

(i) Issue of Ind AS 117

Insurance Contracts Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk. Application of this standard is not expected to have any impact on the Company's financial statements.

(ii) Amendments to existing standards:

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 103 – Business Combination
2. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 40 – Investment Property

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

4 Investment property

(₹. in thousands)

Description	Tangible	Total
	Freehold land	
Deemed cost		
Balance as at 1 April 2018	42,393.67	42,393.67
Additions during the year	-	-
Balance as at 31 March 2019	42,393.67	42,393.67
Balance as at 1 April 2019	42,393.67	42,393.67
Additions during the year	-	-
Balance as at 31 March 2020	42,393.67	42,393.67
Accumulated depreciation		
Balance as at 1 April 2018	-	-
Depreciation for the year	-	-
Balance as at 31 March 2019	-	-
Balance as at 1 April 2019	-	-
Depreciation for the year	-	-
Balance as at 31 March 2020	-	-
Carrying amount: (net)		
As at 31 March 2020	42,393.67	42,393.67
As at 31 March 2019	42,393.67	42,393.67
Fair value (refer note iii below)		
Balance as at 31 March 2020	61,300.00	61,300.00
Balance as at 31 March 2019	59,500.00	59,500.00

Notes :**i) Amounts recognised in profit and loss for investment property****31 March 2020 31 March 2019**

Rental income derived from investment properties	-	-
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	(518.59)	(195.79)
Loss arising from investment properties before depreciation and indirect expenses	(518.59)	(195.79)
Less: Depreciation and amortisation	-	-
Loss arising from investment properties	(518.59)	(195.79)

ii) Restriction on realisability

The Company has no restrictions on the realisability of its investment property.

iii) Fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the non availability of the business plan for the property, the Company has used "Direct Comparison" method approach for assessing the fair value of the property.

The "Direct Comparison Approach" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable.

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Notes to the financial statements
5 Investment property under development

(₹. in thousands)

Particulars	Total
<u>Gross amount</u>	
Balance as at 1 April 2018	-
Additions	14,185.59
Balance as at 31 March 2019	14,185.59
Balance as at 1 April 2019	14,185.59
Additions	8,369.80
Balance as at 31 March 2020	22,555.39
<u>Carrying amount (net):</u>	
As at 31 March 2019	14,185.59
As at 31 March 2020	22,555.39

Investment property under development pertains to development of commercial leasing space.

6 Investments

(₹. in thousands)		
Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted		
Investments carried at cost		
Investment in equity instruments of subsidiary company		
- Sapphire Realtors Private Limited	496,236.50	496,236.50
[49,499,900 (31 March 2019 : 49,499,900) equity shares of Rs 10 each, fully paid-up]		
[% of holding in subsidiary - 99% (31 March 2019 - 99%)]		
	496,236.50	496,236.50
Aggregate value of unquoted investments	496,236.50	496,236.50
Aggregate amount of impairment in value of investment	-	-
Investment measured at cost	496,236.50	496,236.50
Investment measured at fair value through profit or loss	-	-
Investment measured at fair value through OCI	-	-

7 Other non-current assets

(₹. in thousands)		
Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Advances to related parties (Refer note 22)		
- Advance paid for purchase of land (refer note (i) below)	-	1,254,000.00
Others		
- Advance paid for purchase of land (refer note (ii) below)	1,217,494.30	1,217,494.30
	1,217,494.30	2,471,494.30

Note

- (i) The Company had paid an amount of Rs 1,270,000.00 thousands to Udhyaman Investments Private Limited (UIPL) in an earlier year towards purchase of certain parcel of land. As per the agreement, UIPL was required to acquire and handover possession of the identified land to the Company before 31 March 2018, which was extended till 31 March 2019 by an extension letter dated 13 February 2018 and further, extended till 31 March 2021 by letter dated 16 November 2018. Further, as a security for the advance given, JV Holding Private Limited, holding company of UIPL, had provided security of a proportion of shares held by another group company as a guarantee for the advance given to UIPL. However the Company was yet to execute the share pledge agreement and hence the advance was disclosed as unsecured. During the year ended 31 March 2020, UIPL has repaid Rs.1,254,000.00 thousands (31 March 2019 - Rs. 16,000.00 thousands) to the company on mutual consent of cancellation of arrangement.

Summit Developments Private Limited

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Notes to the financial statements**7 Other non-current assets (continued)****Note (continued)**

- (ii) The Company has made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bengaluru. The Company had made an advance payment of Rs 1,217,494.30 thousands in earlier years in accordance with the demand request raised by KIADB. The State of Karnataka (State Government) has issued notification under section 1(3), 3(1) and 28(1) of the Karnataka Industrial Areas Development Act, 1966 (the Act) declaring the subject land as industrial area, but the final notification under section 28(4) of the Act was pending to be issued by the State Government. The Company has filed a writ petition in The Honorable High Court of Karnataka (Court), against the State Government seeking the Court to issue a direction to the State Government to issue the final notification under Section 28(4) of the Act, and also against KIADB seeking the Court to issue a direction to KIADB to complete the acquisition proceedings in respect of the property, handover the possession of the same to the Company and execute absolute sale deeds in favour of the Company, at the earliest. The Court has issued an order on 13 January 2017, directing the State Government to issue final notification under Section 28(4) of the Act. It also ordered to the other respondents to expedite all further actions that are required to be taken in the matter in accordance with law without causing further delays. The State Government has issued a notification on 28 February 2018 under section 28(4) of the Act declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has sent a demand letter of Rs 580,876.80 thousand on 13 October 2018 as final compensation to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Company. The Company is in the process of paying the amount demanded.

8 Cash and cash equivalents

Particulars	(₹. in thousands)	
	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- in current accounts	682.26	902.05
	682.26	902.05

9 Loans

Particulars	(₹. in thousands)	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans		
- to related party (refer note 22)*	580,089.70	-
	580,089.70	-

* Inter corporate deposit given to holding company which is repayable on demand.

10 Other current assets

Particulars	(₹. in thousands)	
	As at 31 March 2020	As at 31 March 2019
Balances with government authorities	-	115.11
	-	115.11

11 Share capital

(₹. in thousands)		
Particulars	As at 31 March 2020	As at 31 March 2019
Authorised		
50,000 (previous year: 50,000) equity shares of Rs 10 each	500.00	500.00
Issued, subscribed and fully paid-up		
10,101 (previous year: 10,101) equity shares of Rs 10 each, fully paid-up	101.01	101.01
	101.01	101.01

(a) Equity shareholders holding more than 5 percent equity shares in the Company :

Particulars	As at 31 March 2020	As at 31 March 2019
Number of shares		
Embassy Property Developments Private Limited (Holding Company)	9,999	9,999
% of total share capital		
Embassy Property Developments Private Limited (Holding Company)	98.99%	98.99%

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at 31 March 2020	As at 31 March 2019
Number of shares at the beginning of the year	10,101	10,101
Number of shares issued during the year	-	-
Number of shares outstanding at the end of the year	10,101	10,101

(c) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

On 17 August 2011 the Company, the equity shareholders and the holders of 5% fully and compulsorily convertible debentures ("investors") have entered into a subscription agreement ("the Agreement") which specifies the rights, restrictions and terms of equity shareholders as well as debenture holders, the salient features are given below:

The Company shall not declare any dividends unless otherwise approved by the Board of Directors and/or shareholders in accordance with the terms of the agreement.

Any distributable amount will be distributed to the equity share holders and the holders of compulsorily convertible debentures in the manner agreed between the Company, the equity share holders and the debenture holders.

The equity share holders cannot transfer their shares to any person till such time the investors hold any securities in the Company, unless the equity share holders obtain the prior written permission of the debenture holders. However, the equity share holders can sell up to a maximum of 10% of equity shares held by them, with the prior written consent of debenture holders (which shall not be unreasonably withheld) subject to compliance with certain specific performance conditions as mentioned in the agreement.

The equity share holders have the right to nominate and appoint two Directors to the Board of Directors and the debenture holders shall have the right to nominate one non-retiring Director to the Board of Directors.

(d) Buy back of shares and shares allotted by way of bonus shares and shares issued for consideration other than cash

The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has it bought back any class of equity shares or issued shares for consideration other than cash during the period of five years immediately preceding the balance sheet date.

12 Other equity

(₹. in thousands)		
Particulars	As at 31 March 2020	As at 31 March 2019
Summary of other equity balances*		
Securities premium	139,457.06	139,457.06
Retained earnings	(3,802,779.60)	(2,630,423.89)
At the end of the year	(3,663,322.54)	(2,490,966.83)

* Refer Statement of changes in equity for detailed movement in other equity balances.

Security premium

Securities premium is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of section 52(2) of Companies Act, 2013.

Retained earnings

The cumulative loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the loss is transferred from the statement of profit and loss to the retained earnings account.

13 Current borrowings

(₹. in thousands)		
Particulars	As at 31 March 2020	As at 31 March 2019
Inter corporate loan from holding company * (refer note 22)	-	644,389.15
	-	644,389.15

*The inter-corporate loan from holding company is interest free and is repayable on demand. The loan has been repaid during the year ended 31 March 2020.

14 Other current financial liabilities

(₹. in thousands)		
Particulars	As at 31 March 2020	As at 31 March 2019
5% fully and compulsorily convertible debentures of Rs 10 each (Refer Note A)	4,961,300.00	3,943,500.00
Interest accrued and not due (Refer Note A)		
- on 5% fully and compulsorily convertible debentures	1,038,243.99	902,634.61
Payable for expenses towards investment property	6,926.46	8,218.40
Other payables	1,075.18	1,814.89
	6,007,545.63	4,856,167.90

A 5 % fully and compulsorily convertible debentures: Key terms**Repayment terms and interest rate of debentures**

- (a) The debentures shall carry interest at 5% per annum on the principal amount till the date of conversion. Interest shall be payable as on 31 March of each year ("Payment date"). All payments of interest rate shall be made net of any applicable withholding tax, payable in relation to such amounts. The interest is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date.
- (b) The debentures shall be compulsorily converted into equity shares in the following manner on expiry of 31 July 2020 (31 July 2019 prior to execution of the third amendment to Securities Subscription and Shareholders agreement dated 31 July 2018) or in the event of default, as defined in securities subscription and shareholders agreement dated 17 August 2011, whichever is earlier.
 - (i) At any time after the expiry of 31 July 2020 the holder of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted upon such conversion represents 18.59% of the share capital of the Company on a fully diluted basis as on the date of conversion.
 - (ii) at any time after the occurrence of an event of default, the holders of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted on such conversion represents 51% of the share capital of the Company on a fully diluted basis as on the date of the conversion.

Summit Developments Private Limited**CIN: U70200KA2011PTC057054****Notes to the financial statements**

While the CCDs are mandatorily convertible into equity shares at any time after the expiry of 31 July 2020 as per the extended agreement dated 31 July 2019, in accordance with the requirements of Guidance Note on Schedule III to the Companies Act, 2013, the conversion of CCDs into equity shares are considered as a means of settlement of the liability and since the investors have a right to convert after the expiry of 31 July 2020, these CCDs are classified as other current financial liabilities as at 31 March 2020.

The interest on 5% fully and compulsorily convertible debentures of INR 10 each is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date. The Management believes that there will not be any availability of distributable cash flow as the projects are yet to commence and hence the interest accrued till date on the same has been classified under "Other current financial liabilities".

Name of debenture holder	(₹. in thousands, except number of debentures)			
	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	Subscription Amount	No. of debentures	Subscription Amount
Pollhater Investments Limited	277,920,741	2,779,207	277,920,741	2,779,207
HDFC Ventures Trustee Company Limited on behalf of HDFC Investment Trust	23,433,452	234,335	23,433,452	234,335

15 Other current liabilities

Particulars	(₹. in thousands)	
	As at 31 March 2020	As at 31 March 2019
Statutory dues	15,127.71	15,635.99
	15,127.71	15,635.99

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Summit Developments Private Limited**CIN: U70200KA2011PTC057054****Notes to the financial statements****16 Other expenses**

(₹. in thousands)		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rates and taxes	195.79	195.79
Legal and professional	2,960.42	869.63
Fair valuation loss on financial liability	1,017,800.00	1,201,300.00
Security Charges	322.80	-
Miscellaneous	399.60	1,075.71
	1,021,678.62	1,203,441.13

17 Finance costs

(₹. in thousands)		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest		
- on debentures	150,677.10	150,677.10
	150,677.10	150,677.10

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18 Contingent liabilities and commitments (to the extent not provided for)**Contingent liabilities:**

The Income Tax department has launched the proceedings u/s 276B against the company and principle officer in respect of defaults in payment of Tax deducted at source. The company is contesting the proceedings initiated before the Honorable High court of Karnataka. The quantification of financial default is not ascertainable pending final judgement at this point of time. Hence the amount couldn't be quantified at the balancesheet date and not provided for.

Capital commitments:

(i) The Company had made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bangalore. The Company had made an advance payment of Rs 1,217,494.30 thousands in earlier years in accordance with the demand request raised by KIADB. The State government has issued a notification on 28 February 2018 declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of Rs 580,876.80 thousand on 13 October 2018 as final compensation to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Company. The Company is in the process of paying the amount demanded.

(ii) Estimated amount of contracts remaining to be executed on projects(net of advance) and not provided for - Rs. 11,187.87 thousands.

19 Change of Auditor's

The financial statements of the Company for the year ended 31 March 2019 have been audited by M/s.BSR & Associates LLP . The members of the company in Extra Ordinary General Meeting held on 12th February, 2020 at the registered office of the company, has appointed M/s. NSVM & Associates as the Statutory Auditor of the company from the conclusion of Extra Ordinary General Meeting held on 12th February, 2020 till the conclusion of ensuing Annual General Meeting held in Financial Year 2020-21.

20 Auditors remuneration (excluding Goods and Services tax)**(₹. in thousands)**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor		
- statutory audit	600.00	600.00
Reimbursement of expenses	-	25.17
	600.00	625.17

21 Earnings/ (loss) per share**A. Basic earnings per share**

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit /(loss) attributable to equity holders (after adjusting for interest on the compulsorily convertible debentures) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

A. Basic and diluted earnings per share

The following table sets forth the computation of basic and diluted earnings per share :

(₹. in thousands except per share data)

Particulars	Units	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss for the year attributable to equity shareholders	₹. in thousands	(1,172,355.71)	(1,354,118.23)
Weighted average number of equity shares of Rs 10 each used for calculation of basic and diluted earnings per share	Number	10,101	10,101
Loss per share, basic and diluted	Rs.	(116,063.33)	(134,057.84)

B Dilutive earnings per share

Particulars	Units	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss for the year attributable to equity shareholders	₹. in thousands	(1,172,355.71)	(1,354,118.23)
Add: Interest on compulsory convertible debentures		-	-
Loss for the year		(1,172,355.71)	(1,354,118.23)
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share	Number	10,101	10,101
Add: Dilutive effect of convertible debentures		-	-
Weighted average number of equity shares of Rs 10 each used for calculation of dilutive earnings per share		10,101	10,101
Loss per share, dilutive	Rs.	(116,063.33)	(134,057.84)

For the year ended 31 March 2020: 301,354,193 (March 2019: 301,354,193) compulsorily convertible debentures were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

Notes to the financial statements

22 Related parties disclosures

(i) Names of related parties and description of relationship

Enterprises and individuals where control exists

Ultimate holding company

JV Holding Private Limited

Holding company

Embassy Property Developments Private Limited

Subsidiary company

Saphire Realtors Private Limited

Other related parties with whom transactions have taken place during the year

Parties where significant influence exists with whom transactions have taken place Udhyaman Investments Private Limited

Key management personnel

Jitendra Virwani - Director

P R Ramakrishnan - Director

The non executive directors on the Board of the Company are:

Keyur S Shah - Alternate Director (w.e.f. 5 August 2019)

(ii) Related Party transactions

Particulars	(₹.in thousands)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Inter corporate loan received /(repaid), net		
Embassy Property Developments Private Limited	(644,389.15)	(384,250.85)
Inter corporate loan given /(received), net		
Embassy Property Developments Private Limited	580,089.70	-
Refund from advance paid for purchase of land		
Udhyaman Investments Private Limited	1,254,000.00	16,000.00
Receipt from other receivables		
Embassy Property Developments Private Limited	-	389,691.51

(iii) Balances receivable from and payable to related parties

Particulars	(₹. in thousands)	
	As at 31 March 2020	As at 31 March 2019
Advance paid for purchase of land		
Udhyaman Investments Private Limited	-	1,254,000.00
Inter corporate loan (given)		
Embassy Property Developments Private Limited	580,089.70	-
Inter corporate loan (borrowing)		
Embassy Property Developments Private Limited	-	644,389.15

23 Tax expense

A. No income tax expense was recognised in the statement of profit and loss account.

B. Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

Particulars	(₹. in thousands)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit/ (loss) before income tax	(1,172,355.71)	(1,354,118.23)
Ind AS notional expense	1,017,800.00	-
Amount inadmissible	23.80	-
Disallowance u/s 40(a)(i) & 40(a)(ia)	128,961.23	-
Disallowance u/s 36(1)(iii)	14,292.11	-
allowance u/s 40(a)(ia)	(180.00)	-
Domestic tax rate	26.00%	26.00%
Tax using the Company's domestic tax rate	(2,979.23)	(352,070.74)
Effect of		
Current year losses for which no deferred tax asset is recognised	2,979.23	352,070.74
Income tax expense	-	-

C. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	(₹. in thousands)	
	As at 31 March 2020	As at 31 March 2019
Unused tax losses	2,018,370.13	2,053,800.40
	2,018,370.13	2,053,800.40

24 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "development, rental and maintenance of serviced residence"). However, the Company has not commenced its operations as at the year end.

- 25 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro Small and Medium Enterprises Act, 2006' (the MSMED Act). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act is not expected to be material. The Company does not have any dues to micro and small enterprises as at 31 March 2020 and 31 March 2019.

26 Expenditure on Corporate Social Responsibility activities

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2020.

27

A. Accounting classifications and fair value

The carrying value and fair value of financial instruments by categories are as below:

Particulars	Carrying value		Fair value	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Financial assets measured at amortised cost				
Loans	580,089.70	-	-	-
Cash and cash equivalents	682.26	902.05	-	-
Total assets	580,771.95	902.05	-	-

(₹. in thousands)					
Particulars	Carrying value		Fair value		
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	
Financial liabilities measured at amortized cost					
Borrowings	-	644,389.15	-	-	
Other financial liabilities	1,046,245.63	912,667.90	-	-	
Financial liabilities measured at FVTPL					
Other financial liabilities	4,961,300.00	3,943,500.00	4,961,300.00	3,943,500.00	
Total liabilities	6,007,545.63	5,500,557.05	4,961,300.00	3,943,500.00	

The management has assessed that fair value of other receivables, cash and cash equivalents, borrowings, other financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

B. Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended 31 March 2020 and 31 March 2019.

28 Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- liquidity risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Company's cash and cash equivalents and other receivables from related party. The carrying amount of financial assets represents the maximum credit exposure.

(i) Cash and cash equivalents

The Company holds cash and cash equivalents of Rs.682.26 thousands at 31 March 2020 (31 March 2019: Rs 902.05 thousands). The cash and cash equivalents are mainly held with banks which are highly rated. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

(ii) Other receivables

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of other receivables based on the past and the recent collection trend. All the other receivables are from a related party. The Company does not have any amount due from other receivables as at 31 March 2020.

(b) Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company operates domestically. There are no foreign exchange transactions in the year of reporting.

(ii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates is nil as it does not have any debt obligations with floating interest rates.

(c) Liquidity Risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(₹. in thousands)

Particulars	Carrying value	Contractual cash flows				
		Total	1 year or less	1 year to 3 years	3 to 5 years	more than 5 yrs
31 March 2020						
Other financial liabilities	1,039,319.17	1,039,319.17	1,039,319.17	-	-	-
	1,039,319.17	1,039,319.17	1,039,319.17	-	-	-
31 March 2019						
Borrowings	644,389.15	644,389.15	644,389.15	-	-	-
Other financial liabilities	904,449.50	904,449.50	904,449.50	-	-	-
	1,548,838.65	1,548,838.65	1,548,838.65	-	-	-

29 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a ratio of net adjusted debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising obligations, trade payables and other liabilities less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2020 was as follows.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	(₹. in thousands)	
	As at 31 March 2020	As at 31 March 2019
Total liabilities	6,022,673.34	5,516,193.04
Less: Cash and bank balances	(682.26)	(902.05)
Adjusted debt	6,021,991.10	5,515,290.98
Adjusted total equity	(3,663,221.53)	(2,490,865.82)
Adjusted debt to adjusted equity ratio	(1.64)	(2.21)

30 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening balance 1 April 2019	Cash flows		Non cash Fair value changes	Closing balance 31 March 2020
		Proceeds	Repayments		
Proceeds from borrowings	644,389.15	-	644,389.15	-	-
Total changes from movement in financing activity	644,389.15	-	644,389.15	-	-

31 The Company had repaid the loan of Rs 644,389.15 thousands to Embassy Property Developments Private Limited (EPDPL), the holding company, as on 31 March 2020 in which a director is interested (outstanding of Rs Nil as at 31 March 2020). As per the requirements of section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan or give guarantee or provide any security to a person in whom a director is interested. Accordingly, the aforementioned loan received by the Company was not in compliance with the requirements of the Act

32 Impact of COVID 19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings in view of COVID – 19 as at the date of approval of these financial statements. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

for NSVM & Associates

Chartered Accountants

Firm's Registration No:010072S

for and on behalf of the Board of Directors of

Summit Developments Private Limited

D N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: 09 July 2020

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 09 July 2020

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 09 July 2020

INDEPENDENT AUDITORS' REPORT

To the Members of Summit Developments Private Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Summit Developments Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis of qualified opinion paragraph, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) As stated in note 26 to the standalone financial statements, the Company has taken a loan amounting to Rs 2,038,099.76 thousands in the earlier years from a company in which a director is interested. The Company has repaid an amount of Rs. 1,393,710.61 thousands including Rs 384,250.85 thousands in the current year towards the aforesaid loan. The cumulatively outstanding balance of the loan as on 31 March 2019 amounts to Rs 644,389.15 thousands. As per the requirements of section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan, or give any guarantee or provide any security to a person in whom a director is interested. Accordingly the aforementioned loan received and security given by the Company is not in compliance with the requirements of the Act. Impact of this non-compliance has not been quantified by the Company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the standalone Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the standalone financial statements and our Auditor's report thereon. The Company's directors' report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Summit Developments Private Limited

Independent Auditor's Report (Continued)

Other Information (continued)

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summit Developments Private Limited
Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

Summit Developments Private Limited
Independent Auditor's Report (Continued)

Report on Other Legal and Regulatory Requirements (continued)

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16):

The Company is a private limited company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

Rushank Muthreja

Partner

Membership Number: 211386

Unique Document Identification Number: 19211386AAAACS8782

Place: Bengaluru

Date: 27 September 2019

Summit Developments Private Limited
Annexure A to the Independent Auditor's Report

The Annexure A referred to in the Independent Auditor's Report to the Members of Summit Developments Private Limited ('the Company') for the year ended 31 March 2019, we report that:

- (i) (a) The Company does not hold any fixed assets except a parcel of freehold land and hence paragraph 3(i)(a) and (b) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is primarily engaged in the business of real estate development. Accordingly, it does not hold any physical inventory. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, except for transactions as stated in note 26 to the standalone financial statements, the Company has complied with the provisions of Sections 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the activities of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income-tax, Goods and Services tax and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Employees State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Goods and Services tax and other material statutory dues were in arrears, as at 31 March 2019, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax and other material statutory dues which have not been deposited by the Company on account of disputes.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to its debenture holders during the year. The Company did not have any outstanding loans or borrowings from any financial institutions or bank or government during the year.

Summit Developments Private Limited

Annexure A to the Independent Auditor's Report (continued)

- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company did not have any term loans outstanding during the year.
- (x) According to the information and explanations given to us, no material fraud on the Company by its officers and employees or fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company is a private limited company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards. The provisions of Section 177 are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us and in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for B S R & Associates LLP

Chartered Accountants

ICAI Firm registration number: 116231W/W-100024

Rushank Muthreja

Partner

Membership number: 211386

Unique Document Identification Number: 19211386AAAACS8782

Place: Bengaluru

Date: 27 September 2019

Annexure B to the Independent Auditors' report on the standalone financial statements of Summit Developments Private Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Qualified Opinion

We have audited the internal financial controls with reference to financial statements of Summit Developments Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31 March 2018.

The Company did not have an adequate internal control system to ensure compliance with respect to the legal and regulatory framework applicable to the Company, which has resulted in the non-compliance as stated in Basis of Qualified Opinion paragraph of our audit report.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Summit Developments Private Limited

Annexure B to the Independent Auditor's Report (continued)

Auditors' Responsibility (continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

Rushank Muthreja

Partner

Membership number: 211386

Unique Document Identification Number: 19211386AAAACS8782

Place: Bengaluru

Date: 27 September 2019

Summit Developments Private Limited
Standalone Balance sheet

		(INR in thousands)	
		As at	As at
	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Investment property	4	42,393.67	42,393.67
Investment property under development		14,185.59	-
Financial assets			
- Investment in subsidiary	5	496,236.50	496,236.50
Other non-current assets	6	2,471,494.30	2,487,494.30
		3,024,310.06	3,026,124.47
Current assets			
Financial assets			
- Cash and cash equivalents	7	902.05	988.92
- Other financial assets	8	-	389,691.51
Other current assets	9	115.11	-
		1,017.16	390,680.43
		3,025,327.22	3,416,804.90
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	101.01	101.01
Other equity	11	(2,490,966.83)	(1,136,848.60)
		(2,490,865.82)	(1,136,747.59)
Current liabilities			
Financial liabilities			
- Borrowings	12	644,389.15	1,028,640.00
- Other financial liabilities	13	4,856,167.90	3,509,844.18
Other current liabilities	14	15,635.99	15,068.31
		5,516,193.04	4,553,552.49
		3,025,327.22	3,416,804.90

Significant accounting policies

3

The notes referred to above form an integral part of these standalone financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of

Summit Developments Private Limited

Rushank Muthreja

Partner

Membership number: 211386

Jitendra Virwani

Director

DIN: 00027674

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 27 September 2019

Place: Bengaluru

Date: 27 September 2019

Place: Bengaluru

Date: 27 September 2019

Summit Developments Private Limited
Statement of profit and loss

			(INR in thousands)
	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Other income	15	-	-
Total income		-	-
Expenses			
Other expenses	15	1,202,762.99	290,235.85
Total expenses		1,202,762.99	290,235.85
Loss before finance costs, depreciation and tax		(1,202,762.99)	(290,235.85)
Finance costs	16	151,355.24	152,277.16
Loss before tax		(1,354,118.23)	(442,513.01)
Tax expense	21	-	-
Loss for the year		(1,354,118.23)	(442,513.01)
Total Comprehensive loss for the year		(1,354,118.23)	(442,513.01)
Loss per share (equity shares, par value of Rs 10 each)			
- Basic (INR)	19	(134,057.84)	(43,808.83)
- Diluted (INR)	19	(134,057.84)	(43,808.83)

Significant accounting policies

3

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W / W-100024

for and on behalf of the Board of Directors of

Summit Developments Private Limited

Rushank Muthreja

Partner

Membership number: 211386

Jitendra Virwani

Director

DIN: 00027674

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 27 September 2019

Place: Bengaluru

Date: 27 September 2019

Place: Bengaluru

Date: 27 September 2019

Summit Developments Private Limited
Statement of changes in equity

(A) Equity share capital

(INR in thousands)

Particulars	As at 31 March 2019	As at 31 March 2018
Opening balance	101.01	101.01
Changes in equity share capital	-	-
Closing balance	101.01	101.01

(B) Other Equity

(INR in thousands)

Particulars	Securities premium reserve	Retained earnings	Total other equity
Balance as at 1 April 2017	139,457.06	(833,792.65)	(694,335.59)
Loss for the year	-	(442,513.01)	(442,513.01)
Balance as at 31 March 2018	139,457.06	(1,276,305.66)	(1,136,848.60)
Loss for the year	-	(1,354,118.23)	(1,354,118.23)
Balance as at 31 March 2019	139,457.06	(2,630,423.89)	(2,490,966.83)

As per our report of even date
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Summit Developments Private Limited

Rushank Muthreja
Partner
Membership number: 211386

Jitendra Virwani
Director
DIN: 00027674

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: 27 September 2019

Place: Bengaluru
Date: 27 September 2019

Place: Bengaluru
Date: 27 September 2019

Summit Developments Private Limited
Statement of cash flows

	(INR in thousands)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flow from operating activities		
Loss for the year	(1,354,118.23)	(442,513.01)
Adjustments:		
Fair valuation loss on derivative financial liability	1,201,300.00	288,558.07
Interest expenses	151,355.24	152,277.18
Operating cash flow before working capital changes	(1,462.99)	(1,677.76)
Changes in working capital		
Other current liabilities	567.68	(374.81)
Other current financial assets	-	-
Other financial liabilities	9,414.33	(991.26)
Other non-current and current assets	(115.11)	2.40
Cash generated from/ (used in) operations	8,403.91	(3,041.43)
Income taxes (paid)/ refund, net	-	-
Net cash generated from/ (used in) operating activities	8,403.91	(3,041.43)
Cash flow from investing activities		
Purchase of fixed assets	(14,185.59)	-
Advances (given)/ refunded for purchase of land	16,000.00	-
Net cash generated from investing activities	1,814.41	-
Cash flow from financing activities		
Interest paid	(15,745.85)	(16,667.79)
Availment of borrowings	-	1,028,957.00
Repayment of borrowings	(384,250.85)	(1,009,459.76)
Advance given received	389,691.51	-
Net cash generated from / (used in) financing activities	(10,305.19)	2,829.45
Net increase/ (decrease) in cash and cash equivalents	(86.87)	(211.98)
Cash and cash equivalents at the beginning of the year	988.92	1,200.90
Cash and cash equivalents at the end of the year	902.05	988.92
Components of cash and cash equivalents		
Cash and cash equivalents (refer note 7)	902.05	988.92
	902.05	988.92

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of

Summit Developments Private Limited

Rushank Muthreja

Partner

Membership number: 211386

Place: Bengaluru

Date: 27 September 2019

Jitendra Virwani

Director

DIN: 00027674

Place: Bengaluru

Date: 27 September 2019

P R Ramakrishnan

Director

DIN: 00055416

Place: Bengaluru

Date: 27 September 2019

Summit Developments Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019

1 Company background

Summit Developments Private Limited ("SDPL" or "the Company") was incorporated on 11 February 2011 as a private limited company under the provisions of the Companies Act, 1956. The registered office of the Company is at Bengaluru, India. The Company is engaged in the business of real estate development. The Company has invested in a subsidiary (Saphire Realtors Private Limited) which hold 223 acres of land on which an integrated township is planned to be developed.

2 Basis of preparation

2.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013, (the "Act") and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 27 September 2019.

2.2 Functional and presentation currency

These standalone financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

2.3 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values.

2.4 Use of going concern assumptions

The Company's Ind AS financial statements have been prepared on a going concern basis notwithstanding the fact that it has a negative net worth of INR 2,490,865.82 thousand as at 31 March 2019 and has incurred a net loss of INR 1,354,118.23 thousand for the year ended 31 March 2019. Further, the Company's current liabilities exceeded its current assets by INR 5,515,175.88 thousand as at that date. The appropriateness of the going concern assumption on the basis of which these financial statements have been prepared is based on financial support committed to the Company by the holding company, Embassy Property Developments Private Limited.

These financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

3 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.01 Recognition of dividend income, interest income and expense

a) Dividend income

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

b) Interest income and expense

Interest income or expense is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of a financial asset; or
- the amortised cost of financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.02 Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at,

- amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in investment's fair value in OCI (designated as FVOCI - equity investment). The election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial asset to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risk that affects the performance of the business model (and the financial asset held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of the financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

To assess whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate futures;
- prepayments and extension features; and
- terms that limits the Company's claim to cash flows from specified assets (e.g. non-recourse feature)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL :

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost :

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities : Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains or losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit and loss.

iii. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of the ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Summit Developments Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019

3 Significant accounting policies (continued)

3.02 Financial Instruments (continued)

iii. Derecognition (continued)

Financial Liabilities

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the extinguished liability and the new financial liability with modified terms is recognised in profit and loss.

iv. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.03 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.04 Investment Property

i. Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of the assets not ready for their intended use before such date, are disclosed as Property under development.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. When an investment property is disposed of, the resulting gain or loss recognized in the Statement of profit and loss is the difference between net disposal proceeds and the carrying amount of the property.

The fair value of investment property is disclosed in the note 4. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued

3.05 Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT')

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

3 Significant accounting policies (continued)

3.05 Taxes (continues)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in any case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of the deferred tax reflects tax consequences that would flow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on a different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.06 Provisions

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-fix rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A Contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3.06 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

3.07 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

Summit Developments Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019

3.08 Earnings per share

The basic loss per share is computed by dividing the net profit/ (loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3 Significant accounting policies (continued)

3.09 Recent accounting pronouncements (Standards issued but not yet effective)

Ind AS 116, Leases

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, Lease.

Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is financial periods beginning on or after 1 April 2019. The Company is in the process of assessing the impact of adoption of Ind AS 116 on its standalone financial statements.

Ind AS 12 Income taxes Appendix C (amendments relating to uncertainty over income tax treatments)

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12.

Appendix C to Ind AS 12 applies while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

It outlines the following: (1) the entity has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The effective date for adoption of Ind AS 12 Appendix C is financial periods beginning on or after 1 April 2019. The Company has evaluated the effect of this on the standalone financial statements and the impact is not material.

Ind AS 12 Income tax (amendments relating to income tax consequences of dividend)

On 30 March 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The effective date for adoption of this amendment is financial periods beginning on or after 1 April 2019. The Company has evaluated the effect of this on the standalone financial statements and the impact is not material.

4 Investment property

(INR in thousands)

Description	Tangible	Total
	Freehold land	
Deemed cost		
Balance as at 1 April 2017	42,393.67	42,393.67
Balance as at 31 March 2018	42,393.67	42,393.67
Balance as at 1 April 2018	42,393.67	42,393.67
Balance as at 31 March 2019	42,393.67	42,393.67
Accumulated depreciation		
Balance as at 1 April 2017	-	-
Depreciation for the year	-	-
Balance as at 31 March 2018	-	-
Balance as at 1 April 2018	-	-
Depreciation for the year	-	-
Balance as at 31 March 2019	-	-
Carrying amount: (net)		
As at 31 March 2019	42,393.67	42,393.67
As at 31 March 2018	42,393.67	42,393.67
Fair value (refer note iii below)		
Balance as at 31 March 2019	59,500.00	59,500.00
Balance as at 31 March 2018	57,000.00	57,000.00

Notes :**i) Amounts recognised in profit and loss for investment property****31 March 2019 31 March 2018**

Rental income derived from investment properties	-	-
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	-	-
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	(195.79)	(195.79)
Loss arising from investment properties before depreciation and indirect expenses	(195.79)	(195.79)
Less: Depreciation and amortisation	-	-
Loss arising from investment properties	(195.79)	(195.79)

ii) Restriction on realisability

The Company has no restrictions on the realisability of its investment property.

iii) Fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the non availability of the business plan for the property, the Company has used "Direct Comparison" method approach for assessing the fair value of the property.

The "Direct Comparison Approach" is based on the comparison of the property to similar positioned properties in the region. Wherein, the property is accorded premium / discounts based on various factors to arrive at achievable market value of the property as on the date of valuation. The result is the best estimate of value, the valuer can attribute and is an estimate. This methodology uses market information such as quoted / transacted value of various comparable.

Summit Developments Private Limited
Notes to the financial statements for the year ended 31 March 2019
5 Investments

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Trade and Unquoted		
Investment in equity instruments of subsidiary company		
- Sapphire Realtors Private Limited	496,236.50	496,236.50
[49,499,900 (31 March 2017 : 49,499,900) equity shares of Rs 10 each, fully paid-up]		
	496,236.50	496,236.50
Aggregate value of unquoted investments	496,236.50	496,236.50
Investment measured at cost	496,236.50	496,236.50
Investment measured at fair value through profit or loss	-	-
Investment measured at fair value through OCI	-	-

6 Other non-current assets

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Advances to related parties (Refer note 20)		
- Advance paid for purchase of land (refer note (i) below)	1,254,000.00	1,270,000.00
Others		
- Advance paid for purchase of land (refer note (ii) below)	1,217,494.30	1,217,494.30
	2,471,494.30	2,487,494.30

Note

- (i) The Company had paid an amount of Rs 1,270,000.00 thousands to Udhyan Investments Private Limited (UIPL) in an earlier year towards purchase of certain parcel of land. As per the agreement, UIPL is required to acquire and handover possession of the identified land to the Company before 31 March 2018, which was extended till 31 March 2019 by an extension letter dated 13 February 2018 and further, extended till 31 March 2021 by letter dated 16 November 2018. If UIPL fails to acquire and handover the land by 31 March 2021, they are obligated to pay a compensation at the prevailing rate of interest to the Company. Further, as a security for the advance given, JV Holding Private Limited, holding company of UIPL, has provided security of a proportion of shares held by another group company as a guarantee for the advance given to UIPL. However the Company is yet to execute the share pledge agreement and hence the advance has been disclosed as unsecured. Management believes that the advances paid to UIPL for acquisition of land will be consummated or are recoverable in full. During the year, UIPL has repaid Rs.16,000.00 thousands to the company. Subsequent to the balance sheet date the Company has received the advance from UIPL. The Company has waived off the Compensation receivable from UIPL in lieu of all expenses incurred by UIPL towards efforts for identifying land.

6 Other non-current assets (continued)**Note (continued)**

- (ii) The Company has made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bengaluru. The Company had made an advance payment of Rs 1,217,494.30 thousands in earlier years in accordance with the demand request raised by KIADB. The State of Karnataka (State Government) has issued notification under section 1(3), 3(1) and 28(1) of the Karnataka Industrial Areas Development Act, 1966 (the Act) declaring the subject land as industrial area, but the final notification under section 28(4) of the Act was pending to be issued by the State Government. The Company has filed a writ petition in The Honorable High Court of Karnataka (Court), against the State Government seeking the Court to issue a direction to the State Government to issue the final notification under Section 28(4) of the Act, and also against KIADB seeking the Court to issue a direction to KIADB to complete the acquisition proceedings in respect of the property, handover the possession of the same to the Company and execute absolute sale deeds in favour of the Company, at the earliest. The Court has issued an order on 13 January 2017, directing the State Government to issue final notification under Section 28(4) of the Act. It also ordered to the other respondents to expedite all further actions that are required to be taken in the matter in accordance with law without causing further delays. The State Government has issued a notification on 28 February 2018 under section 28(4) of the Act declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of Rs 580,876.80 thousand on 13 October 2018 as final consideration to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Company. The Company is in the process of paying the amount demanded.

7 Cash and cash equivalents

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Cash and cash equivalents		
Balances with banks		
- in current accounts	902.05	988.92
	902.05	988.92

8 Other current financial assets

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Other receivables		
Unsecured, considered good		
- from related party (refer note 20)	-	389,691.51
	-	389,691.51

9 Other current assets

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Balances with government authorities	115.11	-
	115.11	-

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10 Share capital

(INR in thousands except per share data)		
Particulars	As at 31 March 2019	As at 31 March 2018
Authorised		
50,000 (previous year: 50,000) equity shares of Rs 10 each	500.00	500.00
Issued, subscribed and fully paid-up		
10,101 (previous year: 10,101) equity shares of Rs 10 each, fully paid-up	101.01	101.01
	101.01	101.01

(a) Equity shareholders holding more than 5 percent equity shares in the Company :

Particulars	As at 31 March 2019	As at 31 March 2018
Number of shares		
Embassy Property Developments Private Limited (Holding Company)	9,999	9,999
% of total share capital		
Embassy Property Developments Private Limited (Holding Company)	99%	99%

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at 31 March 2019	As at 31 March 2018
Number of shares at the beginning of the year	10,101	10,101
Number of shares issued during the year	-	-
Number of shares outstanding at the end of the year	10,101	10,101

(c) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of INR 10. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

On 17 August 2011 the Company, the equity shareholders and the holders of 5% fully and compulsorily convertible debentures ("investors") have entered into a subscription agreement ("the Agreement") which specifies the rights, restrictions and terms of equity shareholders as well as debenture holders, the salient features are given below:

The Company shall not declare any dividends unless otherwise approved by the Board of Directors and/or shareholders in accordance with the terms of the agreement.

Any distributable amount will be distributed to the equity share holders and the holders of compulsorily convertible debentures in the manner agreed between the Company, the equity share holders and the debenture holders.

The equity share holders cannot transfer their shares to any person till such time the investors hold any securities in the Company, unless the equity share holders obtain the prior written permission of the debenture holders. However, the equity share holders can sell up to a maximum of 10% of equity shares held by them, with the prior written consent of debenture holders (which shall not be unreasonably withheld) subject to compliance with certain specific performance conditions as mentioned in the agreement.

The equity share holders have the right to nominate and appoint two Directors to the Board of Directors and the debenture holders shall have the right to nominate one non-retiring Director to the Board of Directors.

(d) Buy back of shares and shares allotted by way of bonus shares and shares issued for consideration other than cash

The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has it bought back any class of equity shares or issued shares for consideration other than cash during the period of five years immediately preceding the balance sheet date.

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11 Other equity

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Summary of other equity balances*		
Securities premium	139,457.06	139,457.06
Retained earnings	(2,630,423.89)	(1,276,305.66)
At the end of the year	(2,490,966.83)	(1,136,848.60)

* Refer Statement of changes in equity for detailed movement in other equity balances.

Security premium

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of section 52(2) of Companies Act, 2013.

Retained earnings

The cumulative loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the loss is transferred from the statement of profit and loss to the retained earnings account.

12 Current borrowings

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Inter corporate loan from holding company * (refer note 26)	644,389.15	1,028,640.00
	644,389.15	1,028,640.00

*The inter-corporate loan from holding company is interest free and is repayable on demand.

13 Other current financial liabilities

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
5% fully and compulsorily convertible debentures of Rs 10 each (Refer Note A)	3,943,500.00	2,742,200.00
Interest accrued and not due (Refer Note A)		
- on 5% fully and compulsorily convertible debentures	902,634.61	767,025.22
Other payables	10,033.29	618.96
	4,856,167.90	3,509,844.18

A 5 % fully and compulsorily convertible debentures: Key terms**Repayment terms and interest rate of debentures**

- (a) The debentures shall carry interest at 5% per annum on the principal amount till the date of conversion. Interest shall be payable as on 31 March of each year ("Payment date"). All payments of interest rate shall be made net of any applicable withholding tax, payable in relation to such amounts. The interest is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date.
- (b) The debentures shall be compulsorily converted into equity shares in the following manner on expiry of 31 July 2019 (31 July 2018 prior to execution of the third amendment to Securities Subscription and Shareholders agreement dated 31 July 2018) or in the event of default, as defined in securities subscription and shareholders agreement dated 17 August 2011, whichever is earlier.
- (i) At any time after the expiry of 31 July 2019, the holder of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted upon such conversion represents 18.59% of the share capital of the Company on a fully diluted basis as on the date of conversion.
- (ii) at any time after the occurrence of an event of default, the holders of the debentures shall be entitled to convert the debentures into equity shares such that the number of equity shares issued and allotted on such conversion represents 51% of the share capital of the Company on a fully diluted basis as on the date of the conversion.

While the CCDs are mandatorily convertible into equity shares at any time after the expiry of 31 July 2019 as per the extended agreement dated 31 July 2018, in accordance with the requirements of Guidance Note on Schedule III to the Companies Act, 2013, the conversion of CCDs into equity shares are considered as a means of settlement of the liability and since the investors have a right to convert after the expiry of 31 July 2019, these CCDs are classified as other current financial liabilities as at 31 March 2019.

The interest on 5% fully and compulsorily convertible debentures of INR 10 each is payable subject to availability of distributable cash flow from the projects and the balance unpaid interest shall be carried forward and paid on the next payment date. The Management believes that there will not be any availability of distributable cash flow as the projects are yet to commence and hence the interest accrued till date on the same has been classified under "Other current financial liabilities".

Name of debenture holder	(INR in thousands, except number of debentures)			
	As at 31 March 2019		As at 31 March 2018	
	No. of debentures	Subscription Amount	No. of debentures	Subscription Amount
Pollhater Investments Limited	277,920,741	2,779,207	277,920,741	2,779,207
HDFC Ventures Trustee Company Limited on behalf of HDFC Investment Trust	23,433,452	234,335	23,433,452	234,335

14 Other current liabilities

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Statutory dues	15,635.99	15,068.31
	15,635.99	15,068.31

Summit Developments Private Limited**Notes to the financial statements for the year ended 31 March 2019****15 Other expenses**

(INR in thousands)		
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Rates and taxes	195.79	195.79
Legal and professional	869.63	1,459.61
Fair valuation loss on financial liability	1,201,300.00	288,558.07
Miscellaneous	397.57	22.38
	1,202,762.99	290,235.85

16 Finance costs

(INR in thousands)		
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest		
- on debentures	150,677.10	150,677.10
- others	678.14	1,600.08
	151,355.24	152,277.18

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17 Contingent liabilities and commitments (to the extent not provided for)**Contingent liabilities:**

The Company did not have any contingent liabilities as at 31 March 2019 and 31 March 2018.

Capital commitments:

The Company had made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bangalore. The Company had made an advance payment of Rs 1,217,494.30 thousands in earlier years in accordance with the demand request raised by KIADB. The State government has issued a notification on 28 February 2018 declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of Rs 580,876.80 thousand on 13 October 2018 as final consideration to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Company. The Company is in the process of paying the amount demanded.

18 Auditors remuneration (excluding taxes)**(INR in thousands)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor		
- statutory audit	600.00	600.00
Reimbursement of expenses	25.17	27.00
	625.17	627.00

19 Earnings/ (loss) per share**A. Basic earnings per share**

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit /(loss) attributable to equity holders (after adjusting for interest on the compulsorily convertible debentures) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

A. Basic and diluted earnings per share

The following table sets forth the computation of basic and diluted earnings per share :

(INR in thousands except per share data)

Particulars	Units	For the year ended 31 March 2019	For the year ended 31 March 2018
Loss for the year attributable to equity shareholders	INR in thousands	(1,354,118.23)	(442,513.01)
Weighted average number of equity shares of Rs 10 each used for calculation of basic and diluted earnings per share	Number	10,101	10,101
Loss per share, basic and diluted	INR	(134,057.84)	(43,808.83)

For the year ended 31 March 2019: 301,354,193 (March 2018: 301,354,193) compulsorily convertible debentures were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

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20 Related parties disclosures**(i) Names of related parties and description of relationship****Enterprises and individuals where control exists**

Ultimate holding company	JV Holding Private Limited
Holding company	Embassy Property Developments Private Limited
Subsidiary company	Saphire Realtors Private Limited

Other related parties with whom transactions have taken place during the year

Parties where significant influence exists with whom transactions have taken place Udhyaman Investments Private Limited

Key management personnel

Jitendra Virwani - Director
P R Ramakrishnan - Director
The non executive directors on the Board of the Company are:
Jayakumar Hariharan - Nominee Director
Keyur S Shah - Alternate Director (w.e.f. 20 March 2017)

(ii) Related Party transactions

Particulars	(INR in thousands)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Inter corporate loan received /(repaid), net		
Embassy Property Developments Private Limited	(384,250.85)	19,497.24
Refund from advance paid for purchase of land		
Udhyaman Investments Private Limited	16,000.00	-
Receipt from other receivables		
Embassy Property Developments Private Limited	389,691.51	-

(iii) Balances receivable from and payable to related parties

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Advance paid for purchase of land		
Udhyaman Investments Private Limited	1,254,000.00	1,270,000.00
Other receivables		
Embassy Property Developments Private Limited	-	389,691.51
Inter corporate loan (borrowing)		
Embassy Property Developments Private Limited	644,389.15	1,028,640.00

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Summit Developments Private Limited
Notes to the financial statements for the year ended 31 March 2019

21 Tax expense

A. No income tax expense was recognised in the statement of profit and loss account.

B. Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

(INR in Thousands)		
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit/ (loss) before income tax	(1,354,118.23)	(442,513.01)
Domestic tax rate	26.00%	25.75%
Tax using the Company's domestic tax rate	(352,070.74)	(113,947.10)
Effect of		
Current year losses for which no deferred tax asset is recognised	352,070.74	113,947.10
Income tax expense	-	-

C. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

(INR in Thousands)		
Particulars	As at 31 March 2019	As at 31 March 2018
Unused tax losses	2,053,800.40	1,905,179.78
	2,053,800.40	1,905,179.78

22 Financial instruments-fair values and risk measurement

A. Accounting classifications and fair value

The carrying value and fair value of financial instruments by categories are as below:

			(INR in thousands)	
		Carrying value	Fair value	
Particulars	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Financial assets measured at amortised cost				
Other receivables	-	389,691.51	-	-
Cash and cash equivalents	902.05	988.92	-	-
Total assets	902.05	390,680.43	-	-
Financial liabilities measured at amortized cost				
Borrowings	644,389.15	1,028,640.00	-	-
Other financial liabilities	4,856,167.90	3,509,844.18	-	-
Total liabilities	5,500,557.05	4,538,484.18	-	-

The management has assessed that fair value of other receivables, cash and cash equivalents, borrowings, other financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

B. Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial

instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended 31 March 2019 and 31 March 2018.

23 Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- liquidity risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Company's cash and cash equivalents and other receivables from related party. The carrying amount of financial assets represents the maximum credit exposure.

(i) Cash and cash equivalents

The Company holds cash and cash equivalents of Rs.902.05 thousands at 31 March 2019 (31 March 2019: Rs 988.92 thousands). The cash and cash equivalents are mainly held with banks which are highly rated. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

(ii) Other receivables

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of other receivables based on the past and the recent collection trend. All the other receivables are from a related party. The Company does not have any amount due from other receivables as at 31 March 2019.

(b) Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company operates domestically. There are no foreign exchange transactions in the year of reporting.

(ii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates is nil as it does not have any debt obligations with floating interest rates.

(c) Liquidity Risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Carrying value	Contractual cash flows			
		Total	1 year or less	1 year to 3 years	3 to 5 years more than 5 yrs
31 March 2019					
Borrowings	644,389.15	644,389.15	644,389.15	-	-
Other financial liabilities	912,667.90	912,667.90	912,667.90	-	-
	1,557,057.05	1,557,057.05	1,557,057.05	-	-
31 March 2018					
Borrowings	1,028,640.00	1,028,640.00	1,028,640.00	-	-
Other financial liabilities	767,644.18	767,644.18	767,644.18	-	-
	1,796,284.18	1,796,284.18	1,796,284.18	-	-

Summit Developments Private Limited**Notes to the financial statements for the year ended 31 March 2019****24 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a ratio of net adjusted debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising obligations, trade payables and other liabilities less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2019 was as follows.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	(INR in thousands)	
	As at 31 March 2019	As at 31 March 2018
Total liabilities	5,516,193.04	4,553,552.49
Less: Cash and bank balances	(902.05)	(988.92)
Adjusted debt	5,515,290.99	4,552,563.57
Adjusted total equity	(2,490,865.82)	(1,136,747.59)
Adjusted debt to adjusted equity ratio	(2.21)	(4.00)

25 Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	Opening balance 1 April 2018	Cash flows		Non cash Fair value changes	Closing balance 31 March 2019
		Proceeds	Repayments		
Proceeds from borrowings	1,028,640.00	-	384,250.85	-	644,389.15
Total changes from movement in financing activity	1,028,640.00	-	384,250.85	-	644,389.15

- 26 The Company had repaid the loan of Rs 384,250.85 thousands to Embassy Property Developments Private Limited (EPDPL), the holding company, as on 31 March 2019 in which a director is interested (outstanding of Rs 644,389.15 thousands as at 31 March 2019). As per the requirements of section 185 of the Companies Act, 2013 ("Act"), no company shall directly or indirectly provide any loan or give guarantee or provide any security to a person in whom a director is interested. Accordingly, the aforementioned loan received by the Company was not in compliance with the requirements of the Act.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration no.: 116231W/ W-100024

for and on behalf of the Board of Directors of
Summit Developments Private Limited

Rushank Muthreja
Partner
Membership number: 211386

Place: Bengaluru
Date: 27 September 2019

Jitendra Virwani
Director
DIN: 00027674

Place: Bengaluru
Date: 27 September 2019

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: 27 September 2019

Independent Auditor's Review Report

To the Board of Directors of Summit Developments Private Limited

Review Report on Unaudited Special Purpose Interim Financial Statements

1. We have reviewed the accompanying Unaudited Special Purpose Interim Financial Statements of Summit Developments Private Limited (the "Company"), which comprise the Unaudited Special Purpose Interim Balance Sheet as at December 31, 2021, the Unaudited Special Purpose Interim Statement of Profit and Loss (including Other Comprehensive Income) for nine months period ended on that date and other relevant explanatory notes and information (hereinafter referred to as the "Unaudited Special Purpose Interim Financial Statements"). The Unaudited Special Purpose Interim financial statements have been prepared by the management in accordance with Note 2.01 based on the preparation of the Unaudited Special Purpose Interim financial statements.
2. The management of the Company is responsible for the preparation and presentation of these Unaudited Special Purpose Interim Financial Statements in accordance with recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', and applicable Indian Accounting Standards ("IND-AS") issued by the Institute of Chartered Accountants of India (ICAI) and other recognised accounting practices and policies in India. The Unaudited Special Purpose Interim Financial Statements are the responsibility of the Company's management. Our responsibility is to express a conclusion on the Unaudited Special Purpose Interim Financial Statements based on our review.
3. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Special Purpose Interim Financial Statements have not been prepared in all material respects in accordance with recognition and measurement principles laid down in IND AS 34 'Interim Financial Reporting' and applicable Indian

accounting standards issued by Institute of Chartered Accountants of India (ICAI) and other recognized accounting practices and policies in India.

Emphasis of Matter

5. We draw attention to Note 4 of the Unaudited Special Purpose Interim Financial Statements, which describes the ongoing negotiation between the parties to Securities Purchase Agreement (SPA) and the consequent impact on value for Compulsorily Convertible Debentures for nine months ended December 31, 2021. Our opinion is not modified in respect of this matter.

Basis of Preparation

6. Without modifying our opinion, we draw attention to note 2.01 to the Unaudited Special Purpose Interim Financial Statements, which describes the basis of preparation of the Unaudited Special Purpose Interim Financial Statements.

Restriction to use

7. This review report is issued at the request of the Company for submission to its holding company, NAM Estates Private Limited to enable it to prepare its unaudited special purpose interim consolidated financial statements and for use by management in the process of placement of equity shares of Rs 2 in an institutional placement in India to be issued by Indiabulls Real Estate Private Limited. These Unaudited Special Purpose Interim Financial Statements should not be used for any other purpose without our prior written consent.

For NSVM & Associates

Chartered Accountants

Firm registration number: 010072S

D N Sree Hari

Partner

Membership No:027388

UDIN: 22027388ADZCSB1933

Place: Bengaluru

Date: 14th February 2022

Summit Developments Private Limited
CIN: U70200KA2011PTC057054
Special Purpose Interim Balance sheet
(all amounts in ₹ millions unless otherwise stated)

	As at 31 December 2021	As at 31 March 2021
ASSETS		
Non-current assets		
Investment property	42.39	42.39
Investment property under development	23.39	23.39
Financial assets		
- Investments	496.24	496.24
Other non-current assets	1,946.28	1,217.49
Total non-current assets	2,508.30	1,779.51
Current assets		
Financial assets		
- Cash and cash equivalents	0.12	1.10
- Loans	-	548.18
	0.12	549.28
	2,508.42	2,328.79
EQUITY AND LIABILITIES		
Equity		
Equity share capital	0.10	0.10
Other equity	(10,613.12)	(10,497.12)
	(10,613.02)	(10,497.02)
Current liabilities		
Financial liabilities		
- Borrowings	182.40	-
- Other financial liabilities	12,924.21	12,810.77
Other current liabilities	14.83	15.04
	13,121.44	12,825.81
	2,508.42	2,328.79

As per our review report of even date attached

for **NSVM & Associates**
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Summit Developments Private Limited

D N Sree Hari
Partner
Membership number: 027388

Place: Bengaluru
Date: 14th Feb 2022

Jitendra Virwani
Director
DIN: 00027674

Place: Bengaluru
Date: 14th Feb 2022

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: 14th Feb 2022

Summit Developments Private Limited
CIN: U70200KA2011PTC057054
Statement of Special Purpose Interim profit and loss
(all amounts in ₹ millions unless otherwise stated)

	For the period ended 31 December 2021	For the year ended 31 March 2021
Income		
Other income	-	-
Total income	-	-
Expenses		
Other expenses	2.99	6,683.13
Total expenses	2.99	6,683.13
Earnings Before Finance cost, Depreciation, Amortization and Tax	(2.99)	(6,683.13)
Finance costs	113.01	150.68
Depreciation and Amortization	-	-
Loss Before Tax	(115.99)	(6,833.81)
Tax expense	-	-
- Current tax	-	-
- Deferred tax charge / (credit)	-	-
Loss for the year	(115.99)	(6,833.81)
Total comprehensive loss for the year	(115.99)	(6,833.81)
Loss per share (equity shares, par value of Rs 10 each)		
- Basic (Rs.)	(11,483.40)	(6,76,547.86)
- Diluted (Rs.)	(11,483.40)	(6,76,547.86)

As per our review report of even date attached

for NSVM & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Summit Developments Private Limited

D N Sree Hari
Partner
Membership number: 027388

Jitendra Virwani
Director
DIN: 00027674

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: 14th Feb 2022

Place: Bengaluru
Date: 14th Feb 2022

Place: Bengaluru
Date: 14th Feb 2022

1 Company background

Summit Developments Private Limited ("SDPL" or "the Company") was incorporated on 11 February 2011 as a private limited company under the provisions of the Companies Act, 1956. The registered office of the Company is at Bengaluru, India. The Company is engaged in the business of real estate development. The Company has invested in a subsidiary (Saphire Realtors Private Limited) which hold 204 acres and 4 guntas of land on which an integrated township is planned to be developed.

2 Basis of preparation

2.01 Statement of compliance

These special purpose interim financial statements have been prepared to be included in the special purpose consolidated financial statement of Nam Estates Private Limited and to be presented in the private placement document, on a standalone basis, for the proposed fund raise by Indiabulls Real Estate Limited. This financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The comparative information as required by Ind AS 34 have not been presented. Selected notes have been included that are significant for the understanding of the changes in the Company's financial position and performance since the last annual financial statements, wherever applicable.

The Special Purpose interim financial statements for the period nine months ended 31st December, 2021 were authorised for issue by the Company's Board of Directors on 14th February, 2022.

2.02 Functional and presentation currency

These Special Purpose Interim financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded -off to the nearest millions, unless otherwise indicated.

2.03 Basis of measurement

The Special Purpose Interim financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values.

2.04 Use of estimates and judgements

In preparing these Special Purpose Interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.05 Use of going concern assumptions

The Company's Special Purpose Interim financial statements have been prepared on a going concern basis notwithstanding the fact that it has a negative net worth of Rs.1,06,13.13 million as at 31 December 2021 and has incurred a net loss of Rs. 115.99 million during period ended 31 December 2021. Further, the Company's current liabilities exceeded its current assets by Rs. 1,31,21.33 millions as at that date. The appropriateness of the going concern assumption on the basis of which these Special Purpose Interim financial statements have been prepared is based on financial support committed to the Company by the holding company.

These Special Purpose Interim financial statements, therefore, do not include any adjustments relating to recoverability and classification of asset amounts and classification of liabilities that may be necessary if the Company was unable to continue as a going concern.

2.06 The significant accounting policies adopted in the preparation of these Special Purpose Interim financial statements is the same policies that have been consistently applied as per the previous audited financials statements.

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3 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at	As at
	31 December 2021	31 March 2021
Contingent liabilities:		
a) Claims against the Company not acknowledged as debt in respect of Income-Tax matters (refer note a below)	-	-
Capital commitments:		
b) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (refer note b below)	29.03	752.10

a) The Income Tax department has launched the proceedings u/s 276B against the company and principle officer in respect of defaults in payment of Tax deducted at source. The company is contesting the proceedings initiated before the Honourable High court of Karnataka. The quantification of financial default is not ascertainable pending final judgement at this point of time. Hence the amount couldn't be quantified at the balance sheet date and not provided for.

b) (i) The Company had made an application to Karnataka Industrial Area Development Board (KIADB) towards acquisition of 216 acres of land in Bangalore. The Company had made an advance payment of Rs 1,217.49 millions in earlier years in accordance with the demand request raised by KIADB. The State government has issued a notification on 28 February 2018 declaring the subject land as industrial area. Pursuant to this, the Company has approached the relevant regulatory authorities to carry out the subsequent steps for acquisition of land. Further to this, KIADB has send a demand letter of Rs 728.78 millions on 13 January 2021 as final compensation to be paid for acquisition of land after adjusting the deposit already placed with KIADB by the Company. The Company has paid the said amount during the period ended 31 December 2021.

(ii) Estimated amount of contracts remaining to be executed on projects(net of advance) and not provided for - Rs.29.03 millions for the period ended 31 December 2021 (31 March 2021: Rs. 30.76 millions)

- 4 (a) During the year ended March 31, 2021, the CCD holders have issued an 'event of default' notice under the provisions of the Securities Subscription and Shareholders Agreement (SSSHA) dated August 17, 2011. As per the terms of the SSSHA, upon the occurrence of an event of default, the debenture holders will be entitled to convert the debentures into equity shares such that it represents 51% of the share capital of the company.

(b) Subsequently, the Company, Embassy Property Development Private Limited (EPDPL) and the CCD holders have entered into a Securities Purchase Agreement (SPA) whereby EPDPL will buy out the CCD's for an agreed consideration. According to the terms of the SPA, the purchase of the CCDs was to be completed by 31st March 2021 (Closing date). However, the CCD holders issued a NOC towards the Demerger scheme, whereby they have stated the Closing date or the Long Stop Date shall stand extended to 31 August 2021.

(c) Consequent to the Long Stop Date, the investors have intimated the management of the Company proposing a further extension of the "Closing date" and a revision of the previously agreed consideration. The Closing date is proposed to be extended up to 31 March 2022 and the consideration is under the process of negotiation between the Parties to the SPA. Due to this, the revised value cannot be rigidly determined and hence the effect of any variation in the value has not been given in the Special Purpose Interim financial statements as on December 31, 2021.

5 Related parties disclosures

(i) Names of related parties and description of relationship

Enterprises and individuals where control exists

Ultimate holding company	JV Holding Private Limited
Holding company	NAM Estates Private Limited *
Subsidiary company	Saphire Realtors Private Limited

Other related parties with whom transactions have taken place during the year

Parties where significant influence exists with whom transactions have taken place	Udhyaman Investments Private Limited

Key management personnel

Jitendra Virwani - Director
P R Ramakrishnan - Director
Keyur Sanat Shah - Nominee Director

(ii) Related Party transactions during the year:

Particulars	For the period ended 31 December 2021	For the year ended 31 March 2021
Inter corporate deposit given /(received), net		
NAM Estates Private Limited *	730.58	(31.91)

*Shares transferred pursuant to Scheme of amalgamation/demerger of Embassy Property Developments Private Limited with NAM Estates Private Limited, approved by Regional Director on 04 August 2021.

(iii) Balances receivable from and payable to related parties

Particulars	As at 31 December 2021	As at 31 March 2021
Inter corporate loan (given)		
NAM Estates Private Limited	-	548.18
Inter corporate loan (taken)		
NAM Estates Private Limited	182.40	-

As per our review report attached of even date

for NSVM & Associates
Chartered Accountants
Firm registration number: 010072S

for and on behalf of the Board of Directors of
Summit Developments Private Limited

D N Sree Hari
Partner
Membership number: 027388

Jitendra Virwani
Director
DIN: 00027674

P R Ramakrishnan
Director
DIN: 00055416

Place: Bengaluru
Date: 14th Feb 2022

Place: Bengaluru
Date: 14th Feb 2022

Place: Bengaluru
Date: 14th Feb 2022

Independent Auditor's Report

To the Members of Indiabulls Properties Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Indiabulls Properties Private Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2021, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in Indian including the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 52 to the accompanying standalone financial statements, which describes the effect of uncertainties relating to the outbreak of Covid-19 pandemic and the management's evaluation of its impact on the Company's operations and the standalone financial statements of the Company as at the balance sheet date, the extent of which is significantly dependant on future developments. Our opinion is not modified in respect of this matter.

Information other than the Standalone Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Independent Auditor's Report to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

Independent Auditor's Report to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

12. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under section 133 of the Act;
 - e) the matter described in paragraph 4 under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company;
 - f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - g) we have also audited the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 September 2021 as per Annexure B expressed unmodified opinion; and
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

Independent Auditor's Report to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

- i. the Company, as detailed in note 39A and 39C to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 21502103AAAAFM7295

Place: New Delhi
Date: 23 September 2021

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2021

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, investment property and intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and investment property under which property, plant and equipment and investment property are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and investment property were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Investment Property') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited, on the standalone financial statements for the year ended 31 March 2021 (cont'd)

- (b) The dues outstanding in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and service tax on account of any dispute are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (Rs. in millions)	Amount paid under protest (Rs. in millions)	Period to which amount relates	From where the dispute is pending
The Finance Act, 1994	Service tax	253.60	-	2009-10 to 2013-14	Commissioner of service tax
The Finance Act, 1994	Service tax	3.70	-	2009-10	Commissioner of service tax
The Finance Act, 1994	Service tax	37.46	-	2015-17	Deputy/Assistant Commissioner
Maharashtra Goods and Services Tax Act, 2017	Goods and services tax	10.52	-	2017	Joint Commissioner of Maharashtra State tax (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or any dues to debenture-holders during the year. The Company did not have any loans or borrowings payable to the government or financial institution during the year
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and in our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the standalone financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited, on the standalone financial statements for the year ended 31 March 2021 (cont'd)

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 21502103AAAAFM7295

Place: New Delhi
Date: 23 September 2021

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2021

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Indiabulls Properties Private Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 21502103AAAAFM7295

Place: New Delhi
Date: 23 September 2021

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Standalone Balance Sheet as at 31 March 2021

(All amounts in Rs. millions unless otherwise stated)

	Note	31 March 2021	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	207.90	227.80
Investment property	5	11,387.94	11,606.14
Intangible assets	6	-	0.23
Financial assets			
Investments	7	1,197.47	1,186.86
Loans	8	26.80	26.80
Other financial assets	9	92.04	3.48
Deferred tax assets (net)	10	254.60	455.49
Income-tax assets (net)	11	238.19	446.88
Other non-current assets	12	74.42	64.04
		13,479.36	14,017.72
Current assets			
Inventories	13	27,975.86	29,257.49
Financial assets			
Investments	14	881.90	1,578.70
Trade receivables	15	197.51	292.43
Cash and cash equivalents	16	156.97	218.83
Other bank balances	17	20.73	82.39
Other financial assets	18	23.10	21.34
Other current assets	19	4,560.34	4,611.81
		33,816.41	36,062.99
		47,295.77	50,080.71
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	32.51	32.51
Instruments entirely equity in nature	21	1,000.00	1,000.00
Other equity	22	1,470.84	3,631.88
		2,503.35	4,664.39
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	23	25,161.72	26,049.40
Other financial liabilities	24	543.04	930.33
Other non-current liabilities	25	107.26	89.91
		25,812.02	27,069.64
Current liabilities			
Financial liabilities			
Borrowings	26	250.00	317.50
Trade payables	27		
Total outstanding dues of micro enterprise and small enterprises		0.55	0.05
Total outstanding dues of creditors other than micro enterprise and small enterprises		308.14	376.01
Other financial liabilities	28	1,480.01	1,108.24
Other current liabilities	29	16,941.70	16,544.88
		18,980.40	18,346.68
		44,792.42	45,416.32
		47,295.77	50,080.71
Summary of significant accounting policies			
	3		

The accompanying notes are an integral part of the standalone financial statements.

This is the Stadalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's registration number: 001076N/N500013

For and on behalf of the board of directors

Indiabulls Properties Private Limited**Neeraj Sharma**

Partner

Membership No.: 502103

Sidharth Nawal

Director

[DIN: 07916449]

Siddhartha Gupta

Director

[DIN: 05146690]

Place: New Delhi

Date: 23 September 2021

Place: Mumbai

Date: 23 September 2021

Place: Mumbai

Date: 23 September 2021

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Standalone Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in Rs. millions unless otherwise stated)

	Note	31 March 2021	31 March 2020
INCOME			
Revenue from operations	30	4,059.95	4,236.73
Other income	31	113.91	211.80
		4,173.86	4,448.53
EXPENSES			
Cost of revenue	32		
Cost incurred during the year/maintenance services		2,281.08	3,545.17
Decrease/(increase) in real estate project under development		1,281.63	(343.95)
Employee benefits expense	33	-	0.20
Finance costs	34	431.81	838.98
Depreciation and amortisation expense	35	338.84	335.37
Impairment losses on financial assets	36A	4.10	77.93
Other expenses	36B	1,781.55	1,675.14
		6,119.01	6,128.84
Loss before tax		(1,945.15)	(1,680.31)
Tax expense:	37		
Current income tax (including earlier years) (refer note 51)		-	109.21
Deferred tax charge		200.89	36.46
		200.89	145.67
Loss for the year after tax		(2,146.04)	(1,825.99)
Other comprehensive income	22(ii)		
Items that will not be reclassified to profit and loss			
Net loss on fair valuation of investment through other comprehensive income		(15.00)	(3,744.25)
Income tax on above		-	(9.16)
Other comprehensive income for the year, net of tax		(15.00)	(3,753.41)
Total comprehensive income for the year		(2,161.04)	(5,579.40)
Earnings per equity share (face value Rs. 10 each)	38		
Basic and diluted (Rs. per share)		(638.44)	(553.75)
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of

Indiabulls Properties Private Limited**Neeraj Sharma**

Partner

Membership No.: 502103

Place: New Delhi

Date: 23 September 2021

Sidharth Nawal

Director

[DIN: 07916449]

Place: Mumbai

Date: 23 September 2021

Siddhartha Gupta

Director

[DIN: 05146690]

Place: Mumbai

Date: 23 September 2021

Indiabulls Properties Private Limited
CIN : U45201HR2005PTC077760
Standalone Cash Flow Statement for the year ended 31 March 2021
(All amounts in Rs. millions unless otherwise stated)

	31 March 2021	31 March 2020
Cash flows from operating activities		
Loss before tax	(1,945.15)	(1,680.31)
Adjustments for :		
Depreciation and amortization expense	338.84	335.37
Expected credit losses on trade receivables	4.10	77.93
Interest on income tax refund	(27.76)	(31.75)
Interest income on fixed deposit	(8.07)	(20.44)
Gain on fair valuation of investments	(55.80)	-
Profit on sale of investments	(17.61)	-
Straight lining impact on rental income	(48.07)	98.31
Loss on modification of financial instruments	3.51	-
Finance costs	393.53	695.10
Balances written off	-	0.48
Property plant and equipment written off	1.72	-
Loss on sale of property, plant and equipment	-	0.05
Excess provision written back	-	(29.21)
Operating loss before working capital changes and other adjustments	(1,360.76)	(554.47)
<i>Working capital changes and other adjustments:</i>		
Trade receivables	90.82	19.79
Inventories	3,081.38	1,697.07
Loans	-	(18.34)
Other financial assests	(59.79)	(8.10)
Other current and non-current assets	40.98	4,731.51
Trade payables	(67.37)	(23.02)
Other financial liabilities	(198.07)	(81.71)
Other current and non-current liabilities	462.24	388.76
Cash flows from operating activities before taxes	1,989.43	6,151.49
Income taxes refunded (net)	236.45	270.25
Net cash flows from operating activities	2,225.88	6,421.74
Cash flows from investing activities		
Purchase of property, plant and equipment and investment property, capital creditors (net)	(151.01)	(49.47)
Proceeds from sale of property, plant and equipment	-	0.91
Purchase of investments - mutual funds	(660.53)	(31,755.60)
Sale of investments - mutual funds	1,405.13	29,640.05
Investment in bank deposits	(50.13)	(82.39)
Redemption of bank deposits	81.26	78.72
Interest received	8.07	20.44
Net cash flows from/(used in) investing activities	632.79	(2,147.34)
Cash flows from financing activities		
Proceeds from non-current borrowings	-	27,000.00
Repayment of non-current borrowings	(742.54)	(25,505.14)
Proceeds from current borrowings	-	2,187.50
Repayment of current borrowings	(67.50)	(6,304.45)
Proceeds from issue of compulsorily convertible debentures	-	1,000.00
Interest paid	(2,110.49)	(2,715.35)
Net cash used in financing activities	(2,920.53)	(4,337.44)
Net decrease in cash and cash equivalents	(61.86)	(63.04)
Cash and cash equivalents at the beginning of the year	218.83	281.87
Cash and cash equivalents at the end of the year	156.97	218.83
Cash and cash equivalent comprises of (refer note 16):		
Balances with banks in current accounts	150.35	181.28
Bank deposits with original maturity upto three months	6.62	37.55
	156.97	218.83

The above cash flow statement has been prepared as per the Indirect method as set out in Ind AS-7.

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of
Indiabulls Properties Private Limited

Neeraj Sharma
Partner
Membership No.: 502103

Sidharth Nawal
Director
[DIN: 07916449]

Siddhartha Gupta
Director
[DIN: 05146690]

Place: New Delhi
Date: 23 September 2021

Place: Mumbai
Date: 23 September 2020

Place: Mumbai
Date: 23 September 2020

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Standalone Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in Rs. millions unless otherwise stated)

Equity share capital*

Particulars	Balance as at 1 April 2019	Issued during the year	Balance as at 31 March 2020	Issued during the year	Balance as at 31 March 2021
Equity share capital	32.51	-	32.51	-	32.51

Instruments entirely equity in nature**

Particulars	Balance as at 1 April 2019	Issued during the year	Balance as at 31 March 2020	Issued during the year	Balance as at 31 March 2021
Compulsorily convertible debentures	-	1,000.00	1,000.00	-	1,000.00

Other equity***

Particulars	Reserves and surplus				Other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Fair valuation of investment	
Balance as at 1 April 2019	8,841.85	0.16	150.00	252.61	(33.34)	9,211.27
Loss for the year	-	-	-	(1,825.99)	-	(1,825.99)
Other comprehensive income (net of tax)	-	-	-	-	(3,753.41)	(3,753.41)
Balance as at 31 March 2020	8,841.85	0.16	150.00	(1,573.38)	(3,786.75)	3,631.88
Loss for the year	-	-	-	(2,146.04)	-	(2,146.04)
Other comprehensive income (net of tax)	-	-	-	-	(15.00)	(15.00)
Balance as at 31 March 2021	8,841.85	0.16	150.00	(3,719.42)	(3,801.75)	1,470.84

*Refer note 20 for details

**Refer note 21 for details

***Refer note 22 for details

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of

Indiabulls Properties Private Limited**Neeraj Sharma**

Partner

Membership No.: 502103

Sidharth Nawal

Director

[DIN: 07916449]

Siddhartha Gupta

Director

[DIN: 05146690]

Place: New Delhi

Date: 23 September 2021

Place: Mumbai

Date: 23 September 2021

Place: Mumbai

Date: 23 September 2021

1 Nature of principal activities

Indiabulls Properties Private Limited ('the Company') was incorporated on 18 March 2005 with the main objects of carrying on the business of purchasing, selling, developing, constructing, acquiring on lease/hire purchase and dealing in real estate properties and other related activities. The Company is domiciled in India and its registered office is situated at Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram, Haryana - 122016. The Company's principle place of business is One International Center (formerly known as Indiabulls Finance Centre), Tower 1, 10th Floor, Lower Parel (West), Mumbai- 400 013.

2 Basis of preparation-**a) General information and statement of compliance with Ind AS**

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other related provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 23 September 2021. The revision to standalone financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

These financial statements are presented in Indian rupees (Rs. Million), which is also the Company's functional and presentation currency. All amounts have been rounded-off to the nearest millions upto two place of decimal, unless otherwise indicated.

b) Basis of accounting

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

2.1 Recent accounting pronouncements**a) Amendments to Schedule III of the Act**

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Act. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. The revised Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015, as amended, prescribes amendments for various additional disclosures. The Company is evaluating the requirements of these amendments and their impact on the standalone financial statements.

b) Amendments to Ind AS 107, Financial Instruments: Disclosures

New disclosures requirements are added in the standard to enable the users to understand the effect of interest rate benchmark reforms on entity's risk management strategy. The related amendments are also made in the other accounting standard as applicable. The Company is evaluating the requirements of these amendments and their impact on the standalone financial statements.

c) Amendments to Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations and Ind AS 16, Property, Plant and Equipment

There is change in definition of recoverable amount from 'fair value less costs to sell' to 'fair value less costs of disposal'. The Company is evaluating the requirements of these amendments and their impact on the standalone financial statements.

d) Amendment to Ind AS 116, Leases

On 18 June 2021, Ministry of Corporate Affairs ("MCA") has issued an updated amendment to Ind AS 116 in respect of rent concessions occurring as a direct consequence of the Covid-19 pandemic. The effective date of these amendments is 1 April 2021. However, in case an entity (lessee) has not yet approved the financial statements before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020 as well. Currently, the Company does not have any such scenario and hence, the Company has not considered any impact of this amendment on these standalone financial statements.

3 Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the standalone financial statements.

a) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b) Property, plant and equipment (PPE)*Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Standalone Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Act.

Asset class	Useful life
Building (temporary structure)	3 years
Plant and machinery	12 – 15 years
Office equipment	10 years
Computers	6 years
Furniture and fixtures	10 years
Vehicles	8 – 10 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in Standalone Statement of Profit and Loss when the asset is derecognised.

c) Investment property

Recognition and initial measurement

Investment property is property held to earn rentals or for capital appreciation, or both. Investment property is measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Standalone Statement of Profit or Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment property is subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on investment property is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Asset class	Useful life
Commercial building	60 years
Plant and machinery	12 - 15 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

Investment property is de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Standalone Statement of Profit and Loss in the period of de-recognition.

d) Intangible assets

Recognition and initial measurement

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period of three to four years from the date of its acquisition.

e) Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

f) Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Revenue from sale of properties

Revenue from sale of properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration is received from the customers.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

Base rent, amenities income

Base rent comprises rental income earned from the operating leases and finance lease of the owned properties. Base rent are recognised on a straight-line basis over the terms of the lease, except for variable rental income, which is recognised when it arises. Amenities income is rental revenue earned from the letting of space at the properties for amenities (including canteen space and business centre) is recognised in the period in which the services are being rendered.

Operations and maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognised in the period in which the services are being rendered. A receivable is recognised by the Company when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, the Company considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Service revenue

Income from cancellation/forfeiture and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

Car parking income

Car parking income is recognised in the period in which the services are rendered.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Standalone Statement of Profit and Loss as incurred.

h) Leases

Where the Company is the lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Standalone Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Standalone Statement of Profit and Loss.

j) Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or 'Rs.') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Standalone Statement of Profit and Loss in the year in which they arise.

k) Investments

Investment in equity instruments of subsidiaries are measured at cost as per Ind AS 27 'Separate Financial Statements'.

l) Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

(i) Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

(ii) Equity investments – All equity investments in scope of 'Ind AS 109 Financial Instruments' ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

(iii) Mutual funds – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Standalone Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

n) Income-taxes

Tax expense recognised in Standalone Statement of Profit and Loss comprises the sum of current tax and deferred tax except the ones recognised in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside Standalone Statement of Profit and Loss is recognised outside Standalone Statement of Profit and Loss (either in other comprehensive income or in equity).

o) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

p) Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the Standalone Statement of Profit and Loss. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

q) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognized only when realization of income is virtually certain.

r) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.

Contingencies – In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of a legal or tax cases as probable, possible or remote there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to inform their decision.

Revenue and inventories – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

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Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in Rs. millions unless otherwise stated)

4 Property, plant and equipment

Particulars	Building (temporary structure)	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Gross block							
Balance as at 1 April 2019	8.84	673.42	30.62	20.62	55.13	17.30	805.93
Additions	-	-	0.62	-	-	-	0.62
Deletions	-	-	-	-	(0.01)	(0.95)	(0.96)
Balance as at 31 March 2020	8.84	673.42	31.24	20.62	55.12	16.35	805.59
Additions	-	-	3.46	-	49.47	-	52.93
Deletions	-	(1.80)	(26.13)	(19.69)	-	-	(47.61)
Balance as at 31 March 2021	8.84	671.62	8.57	0.93	104.59	16.35	810.91
Accumulated depreciation							
Balance as at 1 April 2019	8.84	399.15	28.52	17.66	48.22	5.06	507.45
Charge for the year	-	60.86	0.96	2.68	4.12	1.93	70.55
Deletions	-	-	-	-	-	(0.21)	(0.21)
Balance as at 31 March 2020	8.84	460.01	29.48	20.34	52.34	6.78	577.79
Charge for the year	-	61.61	0.39	-	7.58	1.88	71.46
Deletions	-	(1.42)	(25.41)	(19.41)	-	-	(46.24)
Balance as at 31 March 2021	8.84	520.20	4.46	0.93	59.92	8.66	603.01
Net block							
Balance as at 31 March 2020	-	213.41	1.76	0.28	2.78	9.57	227.80
Balance as at 31 March 2021	-	151.42	4.11	-	44.67	7.69	207.90

Notes:

- Property, plant and equipment have not been pledged as security for borrowings.
- There are no contractual commitments with respect to property, plant and equipment.

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5 Investment property

Particulars	Owned			Total
	Land	Building	Plant and machinery	
Gross block				
Balance as at 1 April 2019	1,777.35	11,044.52	1,377.62	14,199.49
Additions	-	48.85	-	48.85
Balance as at 31 March 2020	1,777.35	11,093.37	1,377.62	14,248.34
Additions	-	39.66	-	39.66
Balance as at 31 March 2021	1,777.35	11,133.03	1,377.62	14,288.00
Accumulated depreciation				
Balance as at 1 April 2019	-	1,365.44	950.80	2,316.24
Charge for the year	-	189.15	136.82	325.96
Balance as at 31 March 2020	-	1,554.58	1,087.62	2,642.20
Charge for the year	-	200.27	128.82	329.09
Balance as at 31 March 2021	-	1,754.85	1,216.44	2,971.29
Net block				
Balance as at 31 March 2020 (A)	1,777.35	9,538.79	290.00	11,606.14
Balance as at 31 March 2021 (B)	1,777.35	9,378.18	161.18	11,316.71

Investment property under development

Particulars	Building	Total
Gross block		
Balance as at 1 April 2020 (C)	-	-
Additions	71.23	71.23
Balance as at 31 March 2021 (D)	71.23	71.23
Total net block of investment property:		
Balance as at 31 March 2020 (A+C)	11,606.14	11,606.14
Balance as at 31 March 2021 (B+D)	11,387.94	11,387.94

Notes:

- i) Investment property has been pledged as security by the Company for borrowings (refer note 23).
- ii) Refer note 39 for contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

iii) Amounts recognised in Standalone Statement of Profit and Loss for investment property

Particulars	31 March 2021	31 March 2020
Rental income derived from investment property (including maintenance and car parking income)	2,811.40	3,411.07
Less: Direct operating expenses (including repairs and maintenance) generating rental income	(535.63)	(505.70)
Profit arising from investment property before depreciation	2,275.77	2,905.37
Less: Depreciation	(329.09)	(325.96)
Profit arising from investment property	1,946.68	2,579.41

iv) Leasing arrangements

Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 41 for details on future minimum lease rentals.

v) Fair value

The Company obtains independent valuations for its investment properties at least annually. As at 31 March 2021 and 31 March 2020, the fair values are:

Fair value:	Rs. (in millions)
As at 31 March 2021	43,142.00
As at 31 March 2020	42,304.57

The fair value of investment property has been determined by external, independent property valuers, having appropriate qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the revenue generating potential of the existing built-up area, the Company follows discounted cash flows technique and income capitalisation approach. Discounted cash flow approach is based on the present value of the future receivable net income from the current operational leases / revenues. These cash flows are then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to arrive at the sale value for the operational project components.

vi) Sensitivity analysis

The table below shows the effect of a 5% change in the value of investment properties.

Effect of change in value of investment properties (%)	31 March 2021	31 March 2020
5% increase	2,157.10	2,115.23
5% decrease	(2,157.10)	(2,115.23)

6 Intangible assets

Particulars	Softwares	Total
Gross block		
Balance as at 1 April 2019	5.08	5.08
Balance as at 31 March 2020	5.08	5.08
Assets written off	(5.08)	(5.08)
Balance as at 31 March 2021	-	-
Accumulated amortisation		
Balance as at 1 April 2019	4.62	4.62
Charge for the year	0.23	0.23
Balance as at 31 March 2020	4.85	4.85
Assets written off*	(4.85)	(4.85)
Balance as at 31 March 2021	-	-
Net block:		
Balance as at 31 March 2020	0.23	0.23
Balance as at 31 March 2021	-	-

*Accumulated amortization pertains to assets written off during the year.

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7 Investments - non-current

Particulars	31 March 2021	31 March 2020
(i) Investment in equity shares*		
Subsidiaries - unquoted**		
50,000 (31 March 2020 : 50,000) equity shares of 'Opcore Services Limited (formerly known as 'Indiabulls Realty Developers Limited')	0.05	0.05
(ii) Investment in preference shares*		
Others - unquoted		
425,000,000 (31 March 2020 : 425,000,000) optionally convertible redeemable preference shares of Indiabulls Constructions Limited#	448.25	463.25
(iii) Investment in mutual funds***		
Others - quoted		
233,887.99 (31 March 2020: 233,887.99) units at net assets value Rs. 3,203.10 (31 March 2020: Rs. 3,093.61) SBI Mutual Fund - Liquid	749.17	723.56
	1,197.47	1,186.86
Aggregate amount of unquoted investments	448.30	463.30
Aggregate amount and market value of quoted investments	749.17	723.56

*Face value of Rs. 10 each unless otherwise stated.

**Investment in subsidiary is measured at cost as per Ind AS 27 'Separate Financial Statements'

#These are investments in optionally convertible redeemable preference shares (convertible at the option of the issuer) and are measured at fair value through other comprehensive income. Refer note 45.

***These are investments in mutual funds and are measured at fair value through profit and loss. These investments have been marked as lien against long-term borrowings from State Bank of India to fulfill the debt service reserve account requirements with respect to these long-term borrowings.

8 Loans - non-current*

Particulars	31 March 2021	31 March 2020
(Unsecured, considered good)		
Security deposits	26.80	26.80
	26.80	26.80

*The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.

9 Other financial assets - non-current

Particulars	31 March 2021	31 March 2020
(Unsecured, considered good)		
Finance lease receivable (refer note 42)*	61.51	3.48
Bank deposits with maturity of more than 12 months	30.53	-
	92.04	3.48

*The Company has entered into finance leases with parties for a period of 5 years. The rate of interest charged on the leases since the inception date is 9% p.a. to 18% p.a. respectively. The Company recognises the finance income over the period of finance lease.

10 Deferred tax assets (net)

Particulars	31 March 2021	31 March 2020
Deferred tax assets arising on account of:		
Expected credit losses on trade receivables	25.33	23.19
Reversal of revenue and related costs as per Ind AS 115	-	200.89
Deferred tax liabilities arising on account of:		
Property, plant and equipment, investment property and intangible assets	(25.33)	(23.19)
	-	200.89
Minimum alternate tax credit entitlement	254.60	254.60
	254.60	455.49

i) The Company did not recognise deferred tax asset on brought forward losses as there is no convincing evidence which demonstrates probability of realization of deferred tax asset in the near future. The Company has balance unabsorbed depreciation of Rs. 245.35 millions (31 March 2020: Rs. 174.41 millions) and unabsorbed business losses of Rs. 2,919.94 millions (31 March 2020: Rs. 2,144.72 millions) on which deferred tax asset is not created as a matter of prudence.

ii) **Caption wise movement in deferred tax assets as follows:**

Particulars	31 March 2020	Recognised in other comprehensive income	Recognised in statement of profit and loss	31 March 2021
Assets				
Expected credit losses on trade receivables	23.19	-	2.14	25.33
Reversal of revenue and related costs as per Ind AS 115	200.89	-	(200.89)	-
Liabilities				
Property, plant and equipment, investment property and intangible assets	(23.19)	-	(2.14)	(25.33)
Minimum alternate tax credit entitlement	254.60	-	-	254.60
Total	455.49	-	(200.89)	254.60
Particulars	31 March 2019	Recognised in other comprehensive income	Recognised in statement of profit and loss	31 March 2020
Assets				
Expected credit losses on trade receivables	9.11	-	14.08	23.19
Unabsorbed business losses	9.43	-	(9.43)	-
Reversal of revenue and related costs as per Ind AS 115	257.68	-	(56.79)	200.89
Fair valuation of investments through other comprehensive income	9.16	(9.16)	-	-
Liabilities				
Property, plant and equipment, investment property and intangible assets	(18.54)	-	(4.65)	(23.19)
Minimum alternate tax credit entitlement	234.27	-	20.33	254.60
Total	501.11	(9.16)	(36.46)	455.49

10 Deferred tax assets (net) (Continued...)

The Company has minimum alternate tax credit entitlement amounting to Rs. 254.60 millions (31 March 2020: Rs. 254.60 millions). Such tax credits have been recognised on the basis that recovery is probable in the foreseeable future.

Pertaining to financial year ending	Expiry date	31 March 2021	31 March 2020
31 March 2015	31 March 2030	141.28	141.28
31 March 2016	31 March 2031	113.32	113.32
		254.60	254.60

11 Income-tax assets (net)

Particulars	31 March 2021	31 March 2020
Advance income tax, including tax deducted at source (net of provisions)	238.19	446.88
	238.19	446.88

12 Other non-current assets

Particulars	31 March 2021	31 March 2020
Rent equalisation reserve	72.52	59.36
Prepaid expenses	1.90	4.68
	74.42	64.04

13 Inventories

Particulars	31 March 2021	31 March 2020

A Real estate properties under development (at cost)

Cost of properties under development	41,039.95	39,118.56
Less: Provision for expected loss	(5,106.01)	(3,367.96)
Less: Transferred to developed properties	(8,545.96)	(8,545.96)
	27,387.98	27,204.64

B Real estate properties - developed (at cost)

Cost of developed properties	8,545.96	8,545.96
Less: Cost of revenue recognized till date	(7,958.08)	(6,493.11)
	587.88	2,052.85
	27,975.86	29,257.49

14 Current investments

Particulars	31 March 2021	31 March 2020

Investment in mutual funds - quoted*

Nil (31 March 2020: 100 units of net assets value Rs. 1,116.04 per unit) Indiabulls Mutual Fund Saving	-	0.11
273,838.27 (31 March 2020: 507,746.18) units at net assets value of Rs.3,221.62 (31 March 2020: Rs.3,109.02) SBI Mutual Fund - Liquid	881.90	1,578.59
	881.90	1,578.70
Aggregate amount and market value of quoted investments	881.90	1,578.70

*These are investments in mutual funds and are measured at fair value through profit and loss.

15 Trade receivables

Particulars	31 March 2021	31 March 2020
Trade receivables - unsecured, considered good	197.51	292.43
Trade receivables - credit impaired	103.98	103.98
	301.49	396.41
Less : Expected credit losses on trade receivables	(103.98)	(103.98)
	197.51	292.43

16 Cash and cash equivalents

Particulars	31 March 2021	31 March 2020
Balances with banks in current accounts	150.35	181.28
Bank deposits with original maturity upto three months*	6.62	37.55
	156.97	218.83

*Bank deposits (excluding interest accrued) of Rs. 6.62 million (31 March 2020: Rs. 37.55 million) are held as margin money/security against unfunded facility.

17 Other bank balances

Particulars	31 March 2021	31 March 2020
Bank deposits - with maturity of more than three months and upto twelve months*	20.73	82.39
	20.73	82.39

*Bank deposits (excluding interest accrued) of Rs. 20.13 million (31 March 2020: Rs. 82.21 million) have been held as margin money/security against borrowings including unfunded

18 Other financial assets - current

Particulars	31 March 2021	31 March 2020
(Unsecured, considered good)		
Finance lease receivable (refer note 42)*	16.33	16.50
Recoverable from others	6.77	4.84
	23.10	21.34

* The Company has entered into finance leases with parties for a period of 5 years. The rate of interest charged on the leases since the inception date is 9% p.a. to 18% p.a. respectively. The Company recognises the finance income over the period of finance lease.

19 Other current assets

Particulars	31 March 2021	31 March 2020
Advance to suppliers/service providers	4,197.06	4,332.19
Prepaid expenses	178.81	4.54
Balances with statutory authorities	94.92	220.44
Rent equalisation reserve	89.55	54.64
	4,560.34	4,611.81

20 Share capital**A Equity share capital**

Particulars	31 March 2021	31 March 2020
Authorised equity share capital		
5,400,000 (31 March 2020 : 5,400,000) equity shares of Rs 10 each	54.00	54.00
	54.00	54.00
Issued, subscribed and fully paid up		
3,251,362 (31 March 2020 : 3,251,362) equity shares of Rs 10 each, fully paid up	32.51	32.51
	32.51	32.51

Notes**a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

Particulars	Number of shares	Amount
As at 1 April 2019	32,51,362	32.51
Issued during the year	-	-
As at 31 March 2020	32,51,362	32.51
Issued during the year	-	-
As at 31 March 2021	32,51,362	32.51

b) Shareholders holding more than 5% of equity shares:

Name of the shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% holding	Number of shares	% holding
FIM Holdco 1 Limited	27,07,084	83.26%	27,07,084	83.26%
Ariston Investments Sub A Limited	5,44,278	16.74%	5,44,278	16.74%
	32,51,362	100.00%	32,51,362	100.00%

On 25 September 2019, the co-venturer Indiabulls Real Estate Limited had sold the remaining stake in the Company (held through its subsidiaries) to the other co-venturer FIM Holdco 1 Limited and Ariston Investments Sub A Limited. Accordingly, FIM Holdco 1 Limited had become Holding Company of the Company.

c) Rights, preferences and restrictions attached to equity and preference shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Of the above, 29,761 equity shares of ₹ 10 each fully paid up have been issued on conversion of 505,953 compulsorily convertible debentures of ₹ 1,000 each fully paid up during the earlier years.

No bonus shares issued during the period of five years immediately preceding 31 March 2021.

No shares have been bought back during the period of five years immediately preceding 31 March 2021.

B Details of preference share capital

Particulars	31 March 2021	31 March 2020
Authorised		
526,000 (31 March 2020: 526,000) equity shares of Rs 10 each#	526.00	526.00
	526.00	526.00

#Since the Company has not issued preference share capital, hence no other disclosure is presented.

21 Instruments entirely equity in nature

Particulars	31 March 2021	31 March 2020
10,000,000 (31 March 2020 : 10,000,000) compulsorily convertible debentures of Rs. 100 each	1,000.00	1,000.00
	1,000.00	1,000.00

Notes:**a) Reconciliation of the number of compulsorily convertible debentures outstanding at the beginning and at the end of the year:**

Particulars	Number of debentures	Amount
As at 1 April 2019	-	-
Issued during the year	1,00,00,000	1,000.00
As at 31 March 2020	1,00,00,000	1,000.00
Issued during the year	-	-
As at 31 March 2021	1,00,00,000	1,000.00

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21 Instruments entirely equity in nature (Continued...)

b) Compulsorily convertible debentures holders holding more than 5% of debentures:

Name of the debenture holder	As at 31 March 2021		As at 31 March 2020	
	Number of debentures	% holding	Number of debentures	% holding
FIM Holdco 1 Limited	83,26,000	83.26%	83,26,000	83.26%
Ariston Investments Sub A Limited	16,74,000	16.74%	16,74,000	16.74%
	1,00,00,000	100.00%	1,00,00,000	100.00%

c) Terms and restrictions attached to compulsorily convertible debentures

During the year ended 31 March 2020, the Company had issued 10,000,000 unsecured compulsorily convertible debentures ("CCDs") of face value Rs. 100 each aggregating to Rs. 1,000.00 million. Every 1,000 CCDs of Rs. 100 each shall be convertible into 11 equity shares of Rs. 10 each at any time post 5 years from the date of issue, at the option of holders of the CCDs. These CCDs do not carry any coupon and are interest free.

22 Other equity

Particulars	31 March 2021	31 March 2020
(i) Reserves and surplus		
Securities premium		
Balance at the beginning of the year	8,841.85	8,841.85
Balance at the end of the year	8,841.85	8,841.85
Capital redemption reserve		
Balance at the beginning of the year	0.16	0.16
Balance at the end of the year	0.16	0.16
Debenture redemption reserve		
Balance at the beginning of the year	150.00	150.00
Balance at the end of the year	150.00	150.00
Retained earning		
Balance at the beginning of the year	(1,573.38)	252.61
Add: Loss for the year	(2,146.04)	(1,825.99)
Balance at the end of the year	(3,719.42)	(1,573.38)
(ii) Other comprehensive income		
Fair valuation of investment		
Balance at the beginning of the year	(3,786.75)	(33.34)
Add: Movement during the year	(15.00)	(3,753.40)
Balance at the end of the year	(3,801.75)	(3,786.75)
Total of other equity	1,470.84	3,631.88

Capital redemption reserve:

The same has been created in accordance with provisions of Section 69 of the Companies Act 2013 for the buy back of 15,850 equity shares from the shareholders in previous years.

Securities premium:

Securities premium is used to record the premium on issue of shares. This can be utilised in accordance with provisions of the Companies Act 2013.

Retained earnings:

Retained earnings are created from the profit/loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Fair valuation of investment:

Any change in fair value of instruments classified as fair value through other comprehensive income is recognised here.

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23 Borrowings - non-current

Particulars	31 March 2021	31 March 2020
Secured		
Term loans		
From banks	26,049.37	26,788.55
Less: current maturities of non-current borrowings (refer note 28)	(887.65)	(739.15)
	25,161.72	26,049.40

A. Details of securities, repayment and interest on term loans (including current maturities of non-current borrowings):**I. For loan with sanction amount of Rs. 27,000.00 million from State Bank of India, outstanding amount Rs. 26,049.37 million (31 March 2020: Rs. 26,788.55 million)****a) Security**

- i) Exclusive charge on the present and future receivables/cash flows of the Company including lease rentals generated out of 'One World Center' (formerly known as One Indiabulls Centre) situated at Jupiter Mills, Plot No. 841, Senapati Bapat Marg, Lower Parel, Mumbai, till full repayment of the loans/credit facilities along with interest and charges.
- ii) Exclusive charge on the land and building of One World Center located at Jupiter Mills, Plot No. 841, Senapati Bapat Marg, Lower Parel, Mumbai.

b) Repayment terms and interest rate

Repayable in 180 monthly installments starting from 31 January 2020 and to be settled by 31 December 2034. Rate of interest is one year marginal cost of funds based lending rate (1 year MCLR) plus 0.38%. Carrying rate of interest as at year end on above the term loan is 7.33% per annum (31 March 2020 8.23% per annum).

- c) There are no defaults in repayment of principal or interest to lenders as at 31 March 2021.

B. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Other financial liabilities: current (interest accrued)	Total
Balance as at 1 April 2019	25,199.81	4,434.45	145.87	29,780.13
Proceeds from current/ non-current borrowings (including current maturities)	27,000.00	2,187.50	-	29,187.50
Repayment of current/ non-current borrowings (including current maturities)	(25,505.14)	(6,304.45)	-	(31,809.59)
Interest expense	-	-	2,579.70	2,579.70
Interest paid	-	-	(2,715.35)	(2,715.35)
Non-cash adjustment	93.88	-	-	93.88
Balance as at 31 March 2020	26,788.55	317.50	10.22	27,116.27
Repayment of current/ non-current borrowings (including current maturities)	(742.54)	(67.50)	-	(810.04)
Interest expense	-	-	2,131.57	2,131.57
Interest paid	-	-	(2,110.49)	(2,110.49)
Non-cash adjustment	3.36	-	-	3.36
Balance as at 31 March 2021	26,049.37	250.00	31.30	26,330.67

24 Other financial liabilities - non-current

Particulars	31 March 2021	31 March 2020
Security deposits received	543.04	930.33
	543.04	930.33

25 Other non-current liabilities

Particulars	31 March 2021	31 March 2020
Deferred revenue	107.26	89.91
	107.26	89.91

26 Borrowings - current

Particulars	31 March 2021	31 March 2020
Unsecured loans		
Inter-corporate borrowings (refer note 43)	250.00	250.00
Loans from others	-	67.50
	250.00	317.50

A. Details of securities, repayment and interest of unsecured loans:**I. For inter-corporate borrowings of Rs. 250.00 million from One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)****a) Security**

No security has been provided against the above borrowing.

b) Repayment terms and interest rate

Principal and interest repayable on demand. Rate of interest is 9.00% per annum.

- c) There are no defaults in repayment of principal or interest to lenders as at 31 March 2021.

II. For loan with amount of Nil (31 March 2020 : Rs. 67.50 million) from others**a) Security**

No security has been provided against the above borrowing.

b) Repayment terms and interest rate

Principal and interest repayable on demand. Rate of interest is 4.20% per annum.

- c) There are no defaults in repayment of principal or interest to lenders as at 31 March 2021.

27 Trade payables

Particulars	31 March 2021	31 March 2020
Total outstanding dues of micro enterprise and small enterprises (refer note below)	0.55	0.05
Total outstanding dues of creditors other than micro enterprise and small enterprises	308.14	376.01
	308.69	376.06

Note:

Particulars	31 March 2021	31 March 2020
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.55	0.05
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

28 Other financial liabilities

Particulars	31 March 2021	31 March 2020
Current maturities of non-current borrowings*	887.65	739.15
Interest accrued	31.30	10.22
Security deposits received	545.66	358.87
Capital creditors	12.80	-
Other payables	2.60	-
	1,480.01	1,108.24

*There have been no defaults in repayment of principal and interest as at 31 March 2021 and 31 March 2020. Also, refer note 23 for details with respect to terms and conditions.

29 Other current liabilities

Particulars	31 March 2021	31 March 2020
Deferred revenue	63.78	80.57
Payable to statutory authorities	13.87	78.15
Advance from commercial customers	21.51	25.83
Advance from residential customers	16,842.54	16,360.33
	16,941.70	16,544.88

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30 Revenue from operations

Particulars	31 March 2021	31 March 2020
Operating revenue		
Revenue from real estate properties	1,230.37	825.66
Rental income	2,537.22	3,067.03
Income from maintenance services	258.92	315.63
Income from car parking	15.26	28.41
	4,041.77	4,236.73
Other operating revenue		
Interest on delayed payments from customers	1.71	-
Service and forfeiture income	16.47	-
	18.18	-
	4,059.95	4,236.73

31 Other income

Particulars	31 March 2021	31 March 2020
Interest income		
on bank deposits	8.07	20.44
others	30.95	158.64
Excess provisions written back	-	29.21
Gain on fair valuation of investments	55.80	-
Profit on sale of investments	17.61	-
Miscellaneous income	1.48	3.51
	113.91	211.80

32 Cost of revenue

Particulars	31 March 2021	31 March 2020
Commercial		
Maintenance services*	359.70	359.70
	359.70	359.70
Residential**		
Cost incurred during the year	1,921.38	3,185.47
	1,921.38	3,185.47
	2,281.08	3,545.17
Decrease/ (increase) in real estate properties		
Opening stock	29,257.49	28,913.54
Closing stock	(27,975.86)	(29,257.49)
	1,281.63	(343.95)

*The maintenance services have been outsourced to a single vendor.

**As the total estimated cost exceeds the total expected revenues from the contracts, the Company has recognised provision for margin loss amounting to Rs. 1,738.05 million (31 March 2020: Rs 1,979.66 million).

33 Employee benefits expense*

Particulars	31 March 2021	31 March 2020
Salaries and wages	-	0.20
	-	0.20

*During the year, the Company does not have any employees on the payroll. Since the minimum number of employees for the applicability of "Payment of Gratuity Act 1972" (the "Gratuity Act") is ten, hence, the Company has not carried out actuarial valuation for the gratuity liability as at 31 March 2021.

34 Finance costs

Particulars	31 March 2021	31 March 2020
Interest expenses*	317.44	449.07
Interest expense on taxation (refer note 51)	-	12.92
Other borrowing costs	38.28	267.89
Interest on financial instruments measured at amortized cost	76.09	109.10
	431.81	838.98

*During the year ended 31 March 2021, the Company has inventorized borrowing cost of Rs. 1,738.05 millions (31 March 2020: Rs. 2,006.62 millions) to cost of real estate properties under development at a weighted average capitalisation rate of 7.84% p.a.

35 Depreciation and amortisation expense

Particulars	31 March 2021	31 March 2020
Depreciation on property, plant and equipment*	9.75	9.19
Depreciation on investment property	329.09	325.96
Amortisation on intangible assets	-	0.23
	338.84	335.37

*Depreciation for the year of Rs. 61.71 million (31 March 2020: Rs. 61.36 million) has been inventorized as a part of real estate properties under development.

36A Impairment losses on financial assets

Particulars	31 March 2021	31 March 2020
Expected credit losses on trade receivables	4.10	77.93
	4.10	77.93

36B Other expenses

Particulars	31 March 2021	31 March 2020
Rates and taxes	106.03	96.20
Legal and professional charges	29.16	41.38
Auditor's remuneration (refer note 40)	2.00	2.80
Advertisement expenses	4.99	2.58
Insurance expenses	13.68	2.26
Repairs and maintenance	4.81	0.05
Brokerage and marketing expenses	86.90	6.11
Bank charges	0.18	3.24
Communication expenses	0.06	0.03
Traveling and conveyance expenses	0.04	1.10
Customer incentive and other charges	1,526.78	1,518.75
Balances written off	-	0.48
Loss on sale of property, plant and equipment	-	0.05
Loss on modification of financial instruments	3.51	-
Property plant and equipment written off	1.72	-
Miscellaneous expenses	1.67	0.11
	1,781.55	1,675.14

37 Tax expense

Particulars	31 March 2021	31 March 2020
Current tax (including earlier years) (refer note 51)	-	109.21
Deferred tax charge/(credit)	200.89	36.46
Income tax expense reported in the Standalone Statement of Profit and Loss	200.89	145.67

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.944% and the reported tax expense in the standalone statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations	(1,945.15)	(1,680.31)
Accounting profit before income tax	(1,945.15)	(1,680.31)

At India's statutory income tax rate of 34.944% (31 March 2020: 34.944%)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of benefits of assets assessed under house property	(281.57)	(313.96)
Tax impact of expenses which will never be allowed	-	96.11
Tax impact of unrecognised deferred tax on depreciation and business losses	878.00	777.36
Tax impact of unrecognized deferred tax on timing differences	83.29	-
Tax impact of earlier year items	-	109.21
Tax impact of reversal of revenue and related costs as per Ind AS 115	200.89	56.79
Tax impact of others	-	7.33
Tax expense	200.90	145.67

The Company has not elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

38 Earnings per share

Earnings per share ('EPS') is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following table sets forth the computation of basic and dilutive earnings per share:

Particulars	31 March 2021	31 March 2020
Net loss for the year attributable to equity shareholders	(2,146.04)	(1,825.99)
Nominal value of equity share (Rupees)	10.00	10.00
Total number of equity shares outstanding at the beginning of the year	32,51,362.00	32,51,362.00
Total number of equity shares outstanding at the end of the year	32,51,362.00	32,51,362.00
Total number of compulsorily convertible debentures outstanding at the end of the year*	1,00,00,000.00	1,00,00,000.00
Weighted average number of shares and compulsorily convertible debentures considered for calculation of basic and diluted earning per share	33,61,362.00	32,97,471.59
Earning per share - basic and diluted (Rupees)	(638.44)	(553.75)

*The Company had issued compulsorily convertible debentures which are expected to be converted into equity shares in the ratio of 1,000 CCDs : 11 equity shares and considered in calculation of basic earning per share.

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39 Contingent liabilities

Particulars	31 March 2021	31 March 2020
A Under litigation:		
Demand in excess of provision (pending in appeals)		
Service tax (2015-16 to 2016-17)	37.46	-
Service tax (2009-10 to 2013-14)	253.60	253.60
Service tax (2009-10)	3.70	3.70
Maharashtra goods and service tax (2016-17)	10.52	-
B Commitments:		
Estimated amount of contracts remaining to be executed (net of advances) and not provided for	23.91	-

C Contingent liabilities

The Company has certain litigations involving customers and vendors. Based on advice of in-house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

40 Auditor's remuneration*

Particulars	31 March 2021	31 March 2020
Audit fees	1.80	1.80
Other services	0.15	0.90
Reimbursement of expenses	0.05	0.10
	2.00	2.80

*Excluding taxes

41 Operating leases – lessor

The Company is primarily engaged in the business of leasing of commercial office space and accordingly has leased its properties under both cancellable and non-cancellable operating lease agreement. Wherever considered necessary to reduce credit risk, the Company may obtain security in any form (for example: bank guarantee) for the term of the lease.

Particulars	31 March 2021	31 March 2020
Total lease rental income recognised in the statement of profit and loss	2,537.22	3,067.03

The future minimum lease receivables under non-cancellable operating leases in aggregate are as follows:

Particulars	31 March 2021	31 March 2020
0 - 1 year	1,565.58	1,197.65
1 - 2 year	1,059.93	655.58
2 - 3 year	384.80	181.67
3 - 4 year	26.96	42.65
4 - 5 year	4.51	14.93
More than 5 years	-	1.24

42 Finance leases – lessor

The Company has entered into agreements to provide furniture and fixture on lease, which has remaining term of one to five years. Wherever considered necessary to reduce credit risk, the Company may obtain security in any form (for example: bank guarantee) for the term of the lease.

Particulars	Future minimum lease payment	Unearned finance income	Present value of minimum lease payment
For the year ended 31 March 2021			
0 - 1 year	16.33	6.28	10.05
1 - 2 year	14.07	4.96	9.10
2 - 3 year	15.39	3.65	11.74
3 - 4 year	16.83	2.20	14.63
4 - 5 year	15.22	0.64	14.59
More than 5 years	-	-	-
For the year ended 31 March 2020			
0 - 1 year	18.55	2.05	16.50
1 - 2 year	3.60	0.12	3.48
2 - 3 year	-	-	-
3 - 4 year	-	-	-
4 - 5 year	-	-	-
More than 5 years	-	-	-
Particulars	31 March 2021	31 March 2020	
Finance income on the net investment in the lease	2.05	1.92	

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in Rs. millions unless otherwise stated)

43 Related party transactions**i) Names of related parties and description of relationship****A Ultimate Holding company**

BREP Asia SG L&T Holding (NQ) Pte Ltd [with effect from 25 September 2019]

B Holding company

FIM Holdco 1 Limited [with effect from 25 September 2019]

C Subsidiary

Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)

D Co-venturers exercising joint control

FIM Holdco 1 Limited [upto 24 September 2019]

Ariston Investments Sub A Limited [upto 24 September 2019]

M Holdco 2 Limited [upto 24 September 2019]

Navilith Holdings Limited [upto 24 September 2019]

E Key management personnel

Mr. Siddhartha Gupta : Director

Mr. Siddharth Nawal : Director

Mr. Mohit Arora : Director

Mr. Dhiren Narendra Jhaveri : Director

F Entities exercising control over co-venture*

Indiabulls Real Estate Limited [upto 24 September 2019]

BREP Asia SG L&T Holding(NQ) Pte. Ltd. [upto 24 September 2019]

BREP Asia SBS L&T Holding (NQ) Ltd. [upto 24 September 2019]

BREP VIII SBS L&T Holding (NQ) Ltd. [upto 24 September 2019]

*these are holding entities of co-venturers exercising joint control

G Subsidiaries of entities exercising joint control

Citra Properties Limited [upto 24 September 2019]

Indiabulls Constructions Limited [upto 24 September 2019]

Indiabulls Infraestate Limited [upto 24 September 2019]

H Fellow subsidiary companies

One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited) [with effect from 25 September 2019]

I Entities under joint control of entities exercising joint control

One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited) [upto 24 September 2019]

ii) Related party transactions**The following is a summary of related party transactions**

Particulars	31 March 2021	31 March 2020
Current borrowings taken from:		
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	-	610.00
Indiabulls Real Estate Limited	-	1,260.00
Current borrowings repaid to:		
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	-	3,060.00
Indiabulls Real Estate Limited	-	1,694.45
Electricity recovery:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	7.06	15.31
Office maintenance charges:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	359.70	359.70
Construction related expenses:		
Indiabulls Construction Limited	-	3,898.63
Interest expenses:		
Indiabulls Real Estate Limited	-	4.13
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	22.50	131.83

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in Rs. millions unless otherwise stated)

43 Related party transactions (Continued...)

Particulars	31 March 2021	31 March 2020
Reimbursement of expenses:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	-	8.18

iii) Related party balances as at year end

Particulars	31 March 2021	31 March 2020
Current borrowings:		
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	250.00	250.00
Interest accrued:		
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	31.30	1.13
Trade receivables:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	-	8.85
Trade payables:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	158.20	211.71
Investment:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	0.05	0.05

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44 Segment information**(i) General information**

An operating segment is a component of a group that engages in business activities on which it earns revenue and incurs expenses and for which separate financial information is available. The Company has two operating and reportable segments which are Companies strategic business units. These operating segments are monitored by group's chief operating decision maker to access performance and evaluate strategic decisions.

Real estate development

The Company has prime focus on construction and development of residential and commercial projects across Mumbai.

Rental

The Company has rental structure in Mumbai on which the Company has locked in rental for future years.

(ii) Segment information**Year ended 31 March 2021**

Particulars	Real estate	Rental	Total of segments
Revenue			
External customers	1,248.55	2,811.40	4,059.95
Total revenue	1,248.55	2,811.40	4,059.95
Segment expenses	4,734.78	1,374.32	6,109.10
Segment profit	(3,486.23)	1,437.08	(2,049.15)
Segment assets	32,443.28	12,018.14	44,461.41
Segment liabilities	16,842.56	1,296.65	18,139.21

Year ended 31 March 2020

Particulars	Real estate	Rental	Total of segments
Revenue			
External customers	825.66	3,411.07	4,236.73
Total revenue	825.66	3,411.07	4,236.73
Segment expenses	4,372.25	1,735.82	6,108.07
Segment profit	(3,546.59)	1,675.25	(1,871.34)
Segment assets	34,018.67	12,037.07	46,055.74
Segment liabilities	16,360.33	1,485.47	17,845.80

Reconciliation to amount reflected in financial statements

Reconciliation of profit	31 March 2021	31 March 2020
Segment profit	(2,049.15)	(1,871.34)
Unallocated income	113.91	211.80
Unallocated expense	(9.91)	(20.78)
Income-tax expense	(200.89)	(145.67)
Net loss after tax	(2,146.04)	(1,825.99)

Reconciliation of assets	31 March 2021	31 March 2020
Segment operating assets	44,461.41	46,055.74
Other unallocables assets	2,834.36	4,024.96
Total assets*	47,295.77	50,080.71

*All the assets are in India.

Reconciliation of liabilities	31 March 2021	31 March 2020
Segment operating liabilities	18,139.21	17,845.80
Other unallocables liabilities	26,653.21	27,570.51
Total liabilities	44,792.42	45,416.31

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45 Fair value measurement**i) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

ii) Financial assets and financial liabilities measured at fair value – recurring fair value measurements

Particulars	As at 31 March 2021			As at 31 March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit and loss						
Investments - Mutual fund	1,631.07	-	-	2,302.26	-	-
Financial assets measured at fair value through other comprehensive income						
Investments - Optionally convertible redeemable preference shares	-	-	448.25	-	-	463.25
Total	1,631.07	-	448.25	2,302.26	-	463.25

iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

a) Use of net asset value for mutual funds on the basis of the statement received from investee party.

b) The fair value of unquoted optionally convertible redeemable preference is estimated by discounting future cash flows using rates currently available for capital on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value		Significant unobservable inputs	Data inputs		Sensitivity analysis
	31 March 2021	31 March 2020		31 March 2021	31 March 2020	
Optionally convertible preference shares	448.25	463.25	Discount rate	14.14%	15.59%	Change of +/-0.01% in discount rate has following impacts - 31 March 2021 +0.01% gain of Rs. 1.78 million -0.01% loss of Rs. 1.78 million 31 March 2020 +0.01% gain of Rs. 0.73 million -0.01% loss of Rs. 0.73 million Sensitivity analysis is not presented as the investment has been made at the year end.

v) The following table presents the changes in level 3 items for the year ended 31 March 2021 and 31 March 2020:

Particulars	Optionally convertible preference share
As at 1 April 2019	4,207.50
Loss recognised in other comprehensive income	(3,744.25)
As at 31 March 2020	463.25
Loss recognised in other comprehensive income	(15.00)
As at 31 March 2021	448.25

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46 Financial risk management**i) Financial instruments by category****

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at amortized cost				
Trade receivables	197.51	197.51	292.43	292.43
Cash and cash equivalents	156.97	156.97	218.83	218.83
Other bank balances	20.73	20.73	82.39	82.39
Other financial assets	141.94	141.94	51.62	51.620
Financial assets measured through other comprehensive income				
Optionally convertible redeemable preference shares of Indiabulls Constructions Limited#	448.25	448.25	463.25	463.25
Financial assets measured at fair value through profit and loss				
Investment in mutual funds*	1,631.07	1,631.07	2,302.26	2,302.26
Total	2,596.47	2,596.47	3,410.78	3,410.78
Financial liabilities measured at amortized cost				
Borrowings - including current maturities	26,299.37	26,299.37	27,106.05	27,106.05
Trade payables	308.69	308.69	376.06	376.06
Other financial liabilities (excluding current maturities of non-current borrowings)	1,135.40	1,135.40	1,299.42	1,299.42
Total	27,743.46	27,743.46	28,781.53	28,781.53

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

**Investments in equity instruments are measured at cost as per Ind AS 27 'Separate Financial Statement'

ii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management**i) Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expected credit loss*
A. Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss or life time expected credit loss or fully provided for
C. High credit risk	Trade receivables	Life time expected credit loss or fully provided for

* Life time expected credit loss is provided for trade receivables

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in standalone statement of profit and loss.

Assets under credit risk –

Credit rating	Particulars	31 March 2021	31 March 2020
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	517.15	645.27
C: High credit risk	Trade receivables	103.98	103.98

46 Financial risk management (Continued...)**ii) Concentration of financial assets**

The Company's principal business activities are revenue from sale of real estate properties and rental income. Loans and other financial assets majorly represents money advanced for business purposes. The Company's exposure to credit risk for trade receivables is as below.

Particulars	31 March 2021	31 March 2020
Real estate projects receivables	-	-
Rental receivables	197.51	292.43

b) Credit risk exposure**Provision for expected credit losses**

The Company provides for 12 month or lifetime expected credit losses for following financial assets –

As at 31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	156.97	-	156.97
Trade receivables	301.49	(103.98)	197.51
Other bank balances	20.73	-	20.73
Other financial assets	141.94	-	141.94

As at 31 March 2020

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	218.83	-	218.83
Trade receivables	396.41	(103.98)	292.43
Other bank balances	82.39	-	82.39
Other financial assets	51.62	-	51.62

Expected credit loss for trade receivables under simplified approach**Rental business**

The Company considers provision for lifetime expected credit loss. Given the nature of business operations, the receivables from rental business has low credit risk as the Company holds security deposits against the premises given on rentals. Further, historical trends indicate some shortfall between such deposits held by the Company and amounts due from customers. Hence, with the historical loss experience and forward looking information, the Company has provided expected credit loss in relation to receivables from rental business.

Real estate business

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables does not have any expected credit loss as transfer of legal title of properties is made once the Company receives the entire consideration and hence, these have been considered as low credit risk assets. Further, during the periods presented, the Company has made no write-offs of trade receivables.

Reconciliation of loss provision – trade receivables

Reconciliation of loss allowance	Trade receivables
Loss allowance on 31 March 2019	26.05
Expected credit losses for the year	77.93
Loss allowance on 31 March 2020	103.98
Expected credit losses for the year	-
Loss allowance on 31 March 2021	103.98

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2021	Less than 1 year	1 to 5 Years	Above 5 Years	Total
Non-derivatives				
Borrowings (including interest accrued)	1,168.95	5,521.50	19,686.30	26,376.75
Trade payable	308.69	-	-	308.69
Other financial liabilities	466.42	803.15	-	1,269.57
Total	1,944.06	6,324.65	19,686.30	27,955.01
31 March 2020	Less than 1 year	1 to 5 Years	Above 5 Years	Total
Non-derivatives				
Borrowings (including interest accrued)	1,070.28	4,725.00	21,370.44	27,165.72
Trade payable	376.06	-	-	376.06
Other financial liabilities	371.18	1,003.43	95.67	1,470.27
Total	1,817.51	5,728.43	21,466.11	29,012.05

46 Financial risk management (Continued...)**C Market risk****a) Interest rate risk****Liabilities**

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2021	31 March 2020
Variable rate borrowing	26,049.37	26,788.55
Fixed rate borrowing	250.00	317.50
Total borrowings	26,299.37	27,106.05

Sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	31 March 2021	31 March 2020
Interest rates – increase by 100 basis points (31 March 2020: 100 basis points)	(260.49)	(267.89)
Interest rates – decrease by 100 basis points (31 March 2020: 100 basis points)	260.49	267.89

Assets

The Company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments-

Particulars	31 March 2021	31 March 2020
Optionally convertible preference shares		
Price increase by (2%) - FVOCI instrument	8.97	9.27
Price decrease by (2%) - FVOCI instrument	(8.97)	(9.27)
Mutual funds		
Price increase by (2%) - FVTPL instrument	32.62	46.05
Price decrease by (2%) - FVTPL instrument	(32.62)	(46.05)

47 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value and safeguard the Company's ability to continue as a going concern.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's capital structure mainly constitutes debt. The Company's capital structure is influenced by the changes in regulatory framework, government policies, available options of financing and the impact of the same on the liquidity position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, including interest-bearing loans and borrowings less cash and cash equivalents. Total equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	31 March 2021	31 March 2020
Total borrowings (including interest accrued)	26,330.67	27,116.27
Less: Cash and cash equivalents	(156.97)	(218.83)
Adjusted net debt*	26,173.70	26,897.44
Total equity	2,503.35	4,664.39
Adjusted net debt to total equity ratio	10.46	5.77

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48 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	31 March 2021	31 March 2020
Current		
Financial assets		
First charge		
Trade receivables	197.51	292.43
Total current assets pledged as securities	197.51	292.43
Non-current		
First charge		
Investment property	11,387.94	11,606.14
Non-current investment - mutual fund	749.17	723.56
Total non-current assets pledged as security	12,137.11	12,329.70
Total assets pledged as security	12,334.62	12,622.13

49 A. Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	31 March 2021	31 March 2020
(i) Revenue from contracts with customers		
(a) Revenue from maintenance services	258.92	315.63
(b) Revenue from sale of real estate properties	1,230.37	825.66
(ii) Revenue from others		
(a) Revenue from car parking	15.26	28.41
(ii) Other operating revenue (service receipts)	18.18	-
Total revenue covered under Ind AS 115	1,522.73	1,169.70

B. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	31 March 2021	31 March 2020
Contract liabilities		
Advance from customers - maintenance	1.22	1.92
Advance from customers - residential	16,842.54	16,360.33
Total contract liabilities	16,843.77	16,362.25
Receivables		
Trade receivables - maintenance	9.49	10.84
Total receivables	9.49	10.84

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

C. Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Contract liabilities		Contract liabilities	
	Advances from customers		Advances from customers	
	Residential	Maintenance	Residential	Maintenance
Opening balance	16,360.33	1.92	16,360.33	1.92
Addition during the year	1,712.58	248.73	825.66	304.79
Revenue recognised during the year	(1,230.37)	(249.43)	(825.66)	(304.79)
Closing balance	16,842.54	1.22	16,360.33	1.92

D. The aggregate amount of transaction price allocated to the performance obligations (not yet complete) as at 31 March 2021 is ₹ 16,843.77 millions (at 31 March 2020 is ₹ 16,362.25 Millions). This balance represents the advance received from customers (gross) against real estate properties under development and maintenance of rental properties. The management expects to further bill and collect the remaining balance of total consideration in the coming years. These balances will be recognised as revenue in future years as per the policy of the Company.

50 All loans and securities as disclosed in respective notes are provided for business purposes.

51 During the previous year ended 31 March 2020, the Settlement Commission passed final orders under section 245D(4) in respect of the applications made to the Settlement Commission dated 3 October 2017. Pursuant to the orders, additional tax expense of Rs. 94.70 million had been determined and recorded in the financial statements. Additionally, the Company had also booked interest of Rs. 11.24 million due to payment of above additional tax expense on an instalment basis.

- 52 The outbreak of 'Covid-19' is still severely impacting businesses around the world. In many countries, including India, during the year and subsequent to year ended 31 March 2021 there had been severe disruption of regular business operations due to lockdown restrictions and other emergency measures imposed by the Government. Further, Mumbai region was one of most impacted regions across the country, due to increased number of active 'Covid-19' cases amid the second wave of 'Covid-19'. Because of the pandemic situation, major tenants did restructuring within their businesses, which has led to decrease in overall occupancy ratio. As per management, the said decrease is only temporary and in the long-term, there may not be material impact of Covid-19 pandemic on the financial position and performance of the Company. The Company also owns two residential projects. One of the residential projects is a completed project and has been fully sold out and the other project is under construction. The Company has started the construction on the under construction residential project in a phased manner as per the Government's directives. Additionally, the management has also made a detailed assessment of its liquidity position including recoverability of its receivables and other advances as at balance sheet date and expects to recover carrying amount of these assets. The management will continue to closely monitor any material change to future economic conditions. The actual impact of Covid-19 pandemic on the Company's financial performance remains uncertain and dependent on spread of Covid-19 and additional steps taken by the Government to mitigate the economic impact and may differ from that estimated as at the date of approval of these Financial Statements. The statutory auditors have given an emphasis of matter in their audit report in this regard.
- 53 The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
- 54 According to the management, section 186(4) of Companies Act, 2013 is not applicable on the Company as per specific exemption given to companies engaged in infrastructural activities.
- 55 Pursuant to the recent judgment by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of judgement and period from which the same applies and accordingly, the Company has not provided for any liability on account of this.
- 56 During the year, the board of directors, in their meeting dated 13 April 2020, approved Scheme of Arrangement ("the Scheme") between Indiabulls Properties Private Limited ("IPPL" or "the Demerged Company") and BXIN Office Parks India Private Limited ("Resulting Company") and their respective shareholders, involving the demerger of the business of owning, operating and maintaining of an Information Technology Park located in Mumbai, along with all related assets, liabilities and employees ("Demerged Undertaking"). Once the Scheme is approved, the Demerged Undertaking will be demerged from the Demerged Company and will be merged into Resulting Company.
- 57 **Expenditure on corporate social responsibility activities (CSR)**
As per Section 135 of the Companies Act, 2013, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend Rs. Nil million (31 March 2020: Rs. 0.63 million) for Corporate Social Responsibility activities.

Particulars	31 March 2021	31 March 2020
(a) Amount required to be spent by the Company during the year	-	0.63
(b) Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of

Indiabulls Properties Private Limited

Neeraj Sharma

Partner

Membership No.: 502103

Sidharth Nawal

Director

[DIN: 07916449]

Siddhartha Gupta

Director

[DIN: 05146690]

Place: New Delhi

Date: 23 September 2021

Place: Mumbai

Date: 23 September 2021

Place: Mumbai

Date: 23 September 2021

Independent Auditor's Report

To the Members of Indiabulls Properties Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Indiabulls Properties Private Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 53 to the accompanying standalone financial statements, which describes the uncertainties due to the outbreak of Covid-2019 pandemic and the management's evaluation of its impact on the accompanying standalone financial statements and operations of the Company as at the balance sheet date, the extent of which is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

Independent Auditor's Report to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act,

Independent Auditor's Report to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

12. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) the matter described in paragraph 4 under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company;

Independent Auditor's Report to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020 (cont'd)

- f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
- g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 4 September 2020 as per Annexure B expressed unmodified opinion; and
- h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 40 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 20502103AAAACC2517

Place: New Delhi
Date: 4 September 2020

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, investment property and intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and investment property under which property, plant and equipment and investment property are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and investment property were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Investment Property') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 of the Act in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and goods and services tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in millions)	Amount paid under protest (₹ in millions)	Period to which amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax	253.60	-	2009-10 to 2013-14	Commissioner of Service Tax
The Finance Act, 1994	Service tax	3.70	-	2009-10	Hon'ble Supreme Court

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or any dues to debenture-holders during the year. The Company has no loans or borrowings payable to the government during the year.
- (ix) In our opinion, the Company has applied moneys raised by way of term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments).
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has made private placement of fully convertible debentures. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our Opinion, the amounts so raised have been used for the purposes for which the funds were raised. During the year, the Company did not make private placement of shares.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020

- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 20502103AAAACC2517

Place: New Delhi
Date: 4 September 2020

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Indiabulls Properties Private Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2020

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

UDIN: 20502103AAAACC2517

Place: New Delhi

Date: 4 September 2020

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Standalone Balance Sheet as at 31 March 2020

(All amounts in Rs. millions unless otherwise stated)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	227.80	298.48
Investment property	5	11,606.14	11,883.25
Intangible assets	6	0.23	0.46
Financial assets			
Investments	7	1,186.86	4,207.55
Loans	8	26.80	8.46
Other financial assets	9	3.48	14.13
Deferred tax assets (net)	10	455.49	501.11
Non-current tax assets (net)	11	446.88	817.79
Other non-current assets	12	64.04	110.22
		14,017.72	17,841.45
Current assets			
Inventories	13	29,257.49	28,913.54
Financial assets			
Investments	14	1,578.70	159.75
Trade receivables	15	292.43	312.70
Cash and cash equivalents	16	218.83	281.87
Other bank balances	17	82.39	72.63
Other financial assets	18	21.34	8.69
Other current assets	19	4,611.81	9,378.89
		36,062.99	39,128.07
		50,080.71	56,969.52
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	32.51	32.51
Instruments entirely equity in nature	21	1,000.00	-
Other equity	22	3,631.88	9,211.27
		4,664.39	9,243.78
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	23	26,049.40	24,737.78
Other financial liabilities	24	930.33	874.38
Other non-current liabilities	25	89.91	117.55
		27,069.64	25,729.71
Current liabilities			
Financial liabilities			
Borrowings	26	317.50	4,434.45
Trade payables	27		
Total outstanding dues of micro enterprise and small enterprises		0.05	0.06
Total outstanding dues of creditors other than micro enterprise and small enterprises		376.01	399.02
Other financial liabilities	28	1,108.24	994.51
Other current liabilities	29	16,544.88	16,157.71
Current tax liabilities (net)	30	-	10.28
		18,346.68	21,996.03
		45,416.32	47,725.74
		50,080.71	56,969.52

Summary of significant accounting policies

3

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's registration number: 001076N/N500013

For and on behalf of the board of directors

Indiabulls Properties Private Limited**Neeraj Sharma**

Partner

Membership No.: 502103

Place: New Delhi

Date: 4 September 2020

Sidharth Nawal

Director

[DIN: 07916449]

Place: Mumbai

F - 1121 Date: 4 September 2020

Siddhartha Gupta

Director

[DIN: 05146690]

Place: Mumbai

Date: 4 September 2020

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Standalone Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in Rs. millions unless otherwise stated)

	Note	31 March 2020	31 March 2019
INCOME			
Revenue from operations	31	4,236.73	4,336.57
Other income	32	211.80	31.80
		4,448.53	4,368.37
EXPENSES			
Cost of revenue	33		
Cost incurred during the year/maintenance services		3,545.16	3,255.10
Increase in real estate project under development		(343.94)	(615.54)
Employee benefits expense	34	0.20	0.36
Finance costs	35	838.98	890.57
Depreciation and amortisation expense	36	335.37	332.47
Impairment losses on financial assets	37A	77.93	5.00
Other expenses	37B	1,675.14	1,623.60
		6,128.84	5,491.56
Loss before tax		(1,680.31)	(1,123.18)
Tax expense:	38		
Current income tax (including earlier years) (refer note 52)		109.21	-
Deferred tax charge/(credit)		36.46	(1.65)
		145.67	(1.65)
Loss for the year after tax		(1,825.99)	(1,121.54)
Other comprehensive income	22(ii)		
Items that will not be reclassified to profit and loss			
Net loss on fair valuation of investment through other comprehensive income		(3,744.25)	(42.50)
Income tax on above		(9.16)	9.16
Other comprehensive income for the year		(3,753.41)	(33.34)
Total comprehensive income for the year		(5,579.40)	(1,154.88)
Earnings per equity share (face value Rs 10 each)	39		
Basic and diluted (Rs. per share)		(553.75)	(344.94)

Summary of significant accounting policies

3

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of

Indiabulls Properties Private Limited**Neeraj Sharma**

Partner

Membership No.: 502103

Place: New Delhi

Date: 4 September 2020

Sidharth Nawal

Director

[DIN: 07916449]

Place: Mumbai

Date: 4 September 2020

Siddhartha Gupta

Director

[DIN: 05146690]

Place: Mumbai

Date: 4 September 2020

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Standalone Statement of Changes in Equity for the year ended 31 March 2020

(All amounts in Rs. millions unless otherwise stated)

Equity share capital*

Particulars	Balance as at 1 April 2018	Issued during the year	Balance as at 31 March 2019	Issued during the year	Balance as at 31 March 2020
Equity share capital	32.51	-	32.51	-	32.51

Instruments entirely equity in nature**

Particulars	Balance as at 1 April 2018	Issued during the year	Balance as at 31 March 2019	Issued during the year	Balance as at 31 March 2020
Compulsorily convertible debentures	-	-	-	1,000.00	1,000.00

Other equity***

Particulars	Reserves and surplus				Other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Fair valuation of investment	
Balance as at 1 April 2018	8,841.85	0.16	150.00	1,374.15	-	10,366.15
Loss for the year	-	-	-	(1,121.54)	-	(1,121.54)
Other comprehensive income (net of tax)	-	-	-	-	(33.34)	(33.34)
Balance as at 31 March 2019	8,841.85	0.16	150.00	252.61	(33.34)	9,211.27
Loss for the year	-	-	-	(1,825.99)	-	(1,825.99)
Other comprehensive income (net of tax)	-	-	-	-	(3,753.41)	(3,753.41)
Balance as at 31 March 2020	8,841.85	0.16	150.00	(1,573.38)	(3,786.75)	3,631.88

*Refer note 20 for details

**Refer note 21 for details

***Refer note 22 for details

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of

Indiabulls Properties Private Limited**Neeraj Sharma**

Partner

Membership No.: 502103

Place: New Delhi

Date: 4 September 2020

Sidharth Nawal

Director

[DIN: 07916449]

Place: Mumbai

Date: 4 September 2020

Siddhartha Gupta

Director

[DIN: 05146690]

Place: Mumbai

Date: 4 September 2020

Indiabulls Properties Private Limited
CIN : U45201HR2005PTC077760
Standalone Cash Flow Statement for the year ended 31 March 2020
(All amounts in Rs. millions unless otherwise stated)

	31 March 2020	31 March 2019
Cash flows from operating activities		
Loss before tax	(1,680.31)	(1,123.18)
Adjustments for :		
Depreciation and amortization expense	335.37	332.47
Expected credit losses on trade receivables	77.93	5.00
Interest on income tax refund	(31.75)	-
Finance costs	695.10	866.47
Balances written off	0.48	-
Interest income on fixed deposit	(20.44)	(18.91)
Loss on sale of property, plant and equipment	0.05	-
Straight lining impact on rental income	98.31	21.78
Excess provision written back	(29.21)	(2.45)
Operating (loss)/profit before working capital changes and other adjustments	(554.47)	81.18
<i>Working capital changes and other adjustments:</i>		
Trade receivables	19.79	81.55
Inventories	1,697.07	1,232.80
Loans	(18.34)	0.55
Other financial assests	(8.10)	2.99
Other current and non-current assets	4,731.51	1,231.03
Trade payables	(23.02)	101.10
Other financial liabilities	(81.71)	111.79
Other current and non-current liabilities	388.76	(1,228.05)
Provisions	-	(18.70)
Cash flows from operating activities before taxes	6,151.49	1,596.23
Income taxes refunded /(paid) (net)	270.25	(355.14)
Net cash flows from operating activities	6,421.74	1,241.09
Cash flows from investing activities		
Purchase of property, plant and equipment and investment property	(49.46)	(15.67)
Proceeds from sale of property, plant and equipment	0.90	-
Purchase of investments - mutual funds	(31,755.60)	(18,616.80)
Sale of investments - mutual funds	29,640.05	18,920.21
Investment in bank deposits	(82.39)	(78.72)
Redemption of bank deposits	78.72	555.56
Interest received	20.44	30.70
Net cash (used in)/flow from investing activities	(2,147.34)	795.28
Cash flows from financing activities		
Proceeds from non-current borrowings	27,000.00	1,252.39
Repayment of non-current borrowings	(25,505.14)	(3,793.90)
Proceeds from current borrowings	2,187.50	9,675.00
Repayment of current borrowings	(6,304.45)	(5,240.55)
Repayment of non-convertible debentures	-	(1,300.00)
Proceeds from issue of compulsorily convertible debentures	1,000.00	-
Interest paid	(2,715.35)	(2,607.58)
Net cash used in financing activities	(4,337.44)	(2,014.64)
Net (decrease)/increase in cash and cash equivalents	(63.04)	21.74
Cash and cash equivalents at the beginning of the year	281.87	260.13
Cash and cash equivalents at the end of the year	218.83	281.87
Cash and cash equivalent comprises of (refer note 16):		
Balances with banks in current accounts	181.28	60.83
Cash on hand	-	0.02
Bank deposits with original maturity upto three months	37.55	221.02
	218.83	281.87

The accompanying notes are an integral part of the standalone financial statements.
This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of
Indiabulls Properties Private Limited

Neeraj Sharma
Partner
Membership No.: 502103
Place: New Delhi
Date: 4 September 2020

Sidharth Nawal
Director
[DIN: 07916449]
Place: Mumbai
Date: 4 September 2020

Siddhartha Gupta
Director
[DIN: 05146690]
Place: Mumbai
Date: 4 September 2020

1 Nature of principal activities

Indiabulls Properties Private Limited ('the Company') was incorporated on 18 March 2005 with the main objects of carrying on the business of purchasing, selling, developing, constructing, acquiring on lease/hire purchase and dealing in real estate properties and other related activities. The Company is domiciled in India and its registered office is situated at Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram, Haryana - 122016. The Company's principle place of business is One International Center (formerly known as Indiabulls Finance Centre), Tower 1, 10th Floor, Lower Parel (West), Mumbai- 400 013.

2 Basis of preparation-**a) General information and statement of compliance with Ind AS**

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA'), as amended and other related provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 4 September 2020. The revision to standalone financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

b) Basis of accounting

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

3 Significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the standalone financial statements.

a) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b) Property, plant and equipment (PPE)*Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Standalone Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Building (temporary structure)	3 years
Plant and machinery	12 – 15 years
Office equipment	10 years
Computers	6 years
Furniture and fixtures	10 years
Vehicles	8 – 10 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in Statement of Profit and Loss when the asset is derecognised.

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c) Investment property*Recognition and initial measurement*

Investment property is property held to earn rentals or for capital appreciation, or both. Investment property is measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Standalone Statement of Profit or Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment property is subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on investment property is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Asset class	Useful life
Commercial Building	60 years
Plant and Machinery	12 - 15 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

Investment property is de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Standalone Statement of Profit and Loss in the period of de-recognition.

d) Intangible assets*Recognition and initial measurement*

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period of three to four years from the date of its acquisition.

e) Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

f) Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Revenue from sale of properties

Revenue from sale of properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration is received from the customers.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

Base rent, amenities income

Base rent comprises rental income earned from the operating leases and finance lease of the owned properties. Base rent are recognised on a straight-line basis over the terms of the lease, except for variable rental income, which is recognised when it arises. Amenities income is rental revenue earned from the letting of space at the properties for amenities (including canteen space and business centre) is recognised in the period in which the services are being rendered.

Operations and maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognised in the period in which the services are being rendered. A receivable is recognised by the Company when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, the Company considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Service revenue

Income from cancellation/forfeiture and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

Car parking income

Car parking income is recognised in the period in which the services are rendered.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

h) Leases**Where the Company is the lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied modified retrospective approach. The effect of this adoption is not material on these financial statements.

i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Standalone Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Standalone

j) Foreign currency*Functional and presentation currency*

The financial statements are presented in Indian Rupee ('INR' or 'Rs.') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

k) Investments

Investment in equity instruments of subsidiaries are measured at cost as per Ind AS 27 'Separate Financial Statements'.

l) Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

(i) Debt instruments at amortised cost – A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

k) Investments (Continued)

(ii) Equity investments – All equity investments in scope of ‘Ind AS 109 Financial Instruments’ (‘Ind AS 109’) are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

(iii) Mutual funds – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Standalone Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

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n) Income taxes

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

o) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

p) Employee benefits*Defined contribution plan*

The Company's contribution to provident fund is charged to the Statement of Profit and Loss. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

q) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognized only when realization of income is virtually certain.

r) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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s) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this

Contingencies – In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided. When considering the classification of a legal or tax cases as probable, possible or remote there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to inform their decision.

Revenue and inventories – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

t) Recent accounting pronouncement**Amendment to Ind AS 103, Business Combinations**

On 24 July 2020, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 103 whereby definition of the business has been amended. Additionally, new amendments also provide new aspects to evaluate a set of activities as business. The effective date of these amendments is 1 April 2020. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 116, Leases

On 24 July 2020, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 116 in respect of rent concessions occurring as a direct consequence of the Covid-19 pandemic. The effective date of these amendments is 1 April 2020. However, in case an entity (lessee) has not yet approved the financial statements before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2019 as well. Currently, the Company does not have any such scenario and hence, the Company has not considered any impact of this amendment on these financial statements.

Amendment to Ind AS 1, Presentation of Financial Statements

On 24 July 2020, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 1 whereby definition of the word 'material' has been enhanced to make it more explanatory and it now covers more scenarios. The effective date of these amendments is 1 April 2020. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 10, Events After the Reporting Period

On 24 July 2020, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 10 in respect of disclosure requirement related to non-adjusting event. This amendment requires additional information to be disclosed for material non-adjusting events. The effective date of these amendments is 1 April 2020. The Company is evaluating the requirements of the amendments and their impact on the financial

4 Property, plant and equipment

Particulars	Building (temporary structure)	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Gross block							
Balance as at 1 April 2018	8.84	672.30	30.62	20.58	55.13	18.57	806.04
Additions	-	1.12	-	0.04	-	-	1.16
Deletions	-	-	-	-	-	(1.27)	(1.27)
Balance as at 31 March 2019	8.84	673.42	30.62	20.62	55.13	17.30	805.93
Additions	-	-	0.62	-	(0.01)	-	0.61
Deletions	-	-	-	-	-	(0.95)	(0.95)
Balance as at 31 March 2020	8.84	673.42	31.24	20.62	55.12	16.35	805.59
Accumulated depreciation							
Balance as at 1 April 2018	8.84	337.85	27.60	14.58	43.95	4.32	437.14
Charge for the year	-	61.30	0.92	3.08	4.27	2.01	71.58
Deletions	-	-	-	-	-	(1.27)	(1.27)
Balance as at 31 March 2019	8.84	399.15	28.52	17.66	48.22	5.06	507.45
Charge for the year	-	60.86	0.96	2.68	4.12	1.93	70.55
Deletions	-	-	-	-	-	(0.21)	(0.21)
Balance as at 31 March 2020	8.84	460.01	29.48	20.34	52.34	6.78	577.79
Net block							
Balance as at 31 March 2019	-	274.27	2.10	2.96	6.91	12.24	298.48
Balance as at 31 March 2020	-	213.41	1.76	0.28	2.78	9.57	227.80

Notes:

- Property, plant and equipment have been pledged as security for borrowings (refer note 23).
- There are no contractual commitments with respect to property, plant and equipment.

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5 Investment property

Particulars	Owned			Total
	Land	Building	Plant and machinery	
Gross block				
Balance as at 1 April 2018	1,777.35	11,029.44	1,377.62	14,184.41
Additions	-	15.08	-	15.08
Balance as at 31 March 2019	1,777.35	11,044.52	1,377.62	14,199.49
Additions	-	48.85	-	48.85
Balance as at 31 March 2020	1,777.35	11,093.37	1,377.62	14,248.34
Accumulated depreciation				
Balance as at 1 April 2018	-	1,180.57	813.98	1,994.55
Charge for the year	-	184.87	136.82	321.69
Balance as at 31 March 2019	-	1,365.44	950.80	2,316.24
Charge for the year	-	189.14	136.82	325.96
Balance as at 31 March 2020	-	1,554.58	1,087.62	2,642.20
Net block				
Balance as at 31 March 2019	1,777.35	9,679.08	426.82	11,883.25
Balance as at 31 March 2020	1,777.35	9,538.79	290.00	11,606.14

Notes:

i) Investment property has been pledged as security by the Company for borrowings (refer note 23).

ii) There are no contractual commitments with respect to investment property.

iii) Amounts recognised in Statement of Profit and Loss for investment property

Particulars	31 March 2020	31 March 2019
Rental income derived from investment property (including maintenance and car parking income)	3,411.07	3,432.26
Less: Direct operating expenses (including repairs and maintenance) generating rental income	(505.70)	(533.70)
Profit arising from investment property before depreciation	2,905.37	2,898.56
Less: Depreciation	(325.96)	(321.69)
Profit arising from investment property	2,579.41	2,576.87

iv) Leasing arrangements

Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 42 for details on future minimum lease rentals.

v) Fair value

The Company obtains independent valuations for its investment properties at least annually. As at 31 March 2020 and 31 March 2019, the fair values are:

Fair value:	Rs. (in millions)
As at 31 March 2020	42,304.57
As at 31 March 2019	40,750.00

The fair value of investment property has been determined by external, independent property valuers, having appropriate qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Considering the revenue generating potential of the existing built-up area, the Company follows discounted cash flows technique and income capitalisation approach. Discounted Cash Flow Approach is based on the present value of the future receivable net income from the current operational leases / revenues. These cash flows are then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to arrive at the sale value for the operational project components.

vi) Sensitivity analysis

The table below shows the effect of a 5% change in the value of investment properties.

Effect of change in value of investment properties (%)	31 March 2020	31 March 2019
5% increase	2,115.23	2,037.50
5% decrease	(2,115.23)	(2,037.50)

6 Intangible assets

	Softwares	Total
Gross block		
Balance as at 1 April 2018	5.08	5.08
Balance as at 31 March 2019	5.08	5.08
Balance as at 31 March 2020	5.08	5.08
Accumulated amortisation		
Balance as at 1 April 2018	4.11	4.11
Charge for the year	0.51	0.51
Balance as at 31 March 2019	4.62	4.62
Charge for the year	0.23	0.23
Balance as at 31 March 2020	4.85	4.85
Net block:		
Balance as at 31 March 2019	0.46	0.46
Balance as at 31 March 2020	0.23	0.23

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7 Investments - non-current*

Particulars	31 March 2020	31 March 2019
(i) Investment in equity shares		
Subsidiaries - unquoted**		
50,000 (31 March 2019 : 50,000) equity shares of 'Opcore Services Limited (formerly known as 'Indiabulls Realty Developers Limited')	0.05	0.05
(ii) Investment in preference shares		
Others - unquoted		
425,000,000 (31 March 2019 : 425,000,000) optionally convertible redeemable preference shares of Indiabulls Constructions Limited#	463.25	4,207.50
(iii) Investment in mutual funds***		
Others - quoted		
233,887.99 (31 March 2019: Nil) SBI Mutual Fund - Liquid	723.56	-
	1,186.86	4,207.55
Aggregate amount of unquoted investments	463.30	4,207.55
Aggregate amount and market value of quoted investments	723.56	-

*Face value of Rs. 10 each unless otherwise stated.

**All the investment in subsidiary are measured at cost as per Ind AS 27 'Separate Financial Statements'

#These are investments in optionally convertible redeemable preference shares (convertible at the option of the issuer) and are measured at fair value through other comprehensive income. Refer note 46.

***These are investments in mutual funds and are measured at fair value through profit and loss. These investments have been marked as lien against long-term borrowings from State Bank of India to fulfill the debt service reserve account requirements with respect to these long-term borrowings.

8 Loans - non-current*

Particulars	31 March 2020	31 March 2019
(Unsecured, considered good)		
Security deposits	26.80	8.46
	26.80	8.46

*The Company does not have any loans which are either credit impaired or where there is significant increase in credit.

9 Other financial assets - non-current

Particulars	31 March 2020	31 March 2019
(Unsecured, considered good)		
Finance lease receivable (refer note 43)*	3.48	8.04
Bank deposits with maturity of more than 12 months**	-	6.09
	3.48	14.13

* The Company has entered into finance leases with parties for a period of 5 years. The rate of interest charged on the leases since the inception date is 12% p.a. and 18% p.a. respectively. The Company recognises the finance income over the period of finance lease.

** Bank deposits of Rs. Nil (31 March 2019: Rs. 6.09 millions) have been pledged with banks against bank guarantees, overdraft facilities and loan given by banks.

10 Deferred tax assets (net)

Particulars	31 March 2020	31 March 2019
Deferred tax assets arising on account of:		
Expected credit losses on trade receivables	23.19	9.11
Unabsorbed business losses	-	9.43
Reversal of revenue and related costs as per Ind AS 115	200.89	257.68
Fair valuation of investments through other comprehensive income	-	9.16
Deferred tax liabilities arising on account of:		
Property, plant and equipment, investment property and intangible assets	(23.19)	(18.54)
	200.89	266.84
Minimum alternate tax credit entitlement	254.60	234.27
	455.49	501.11

- i) The Company has decided to restrict recognition of deferred tax asset on brought forward losses to the extent there is convincing evidence which demonstrates probability of realization of deferred tax asset in the near future. The Company has balance unabsorbed depreciation of Rs. 174.41 millions (31 March 2019: Rs. 94.53 millions) and unabsorbed business losses of Rs. 2,144.72 millions (31 March 2019: Rs. 1,679.27 millions) on which deferred tax asset is not created as a matter of prudence.

10 Deferred tax assets (net) (Continued...)**ii) Caption wise movement in deferred tax assets as follows:**

Particulars	31 March 2019	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	31 March 2020
Assets				
Expected credit losses on trade receivables	9.11	-	14.08	23.19
Unabsorbed business losses	9.43	-	(9.43)	-
Reversal of revenue and related costs as per Ind AS 115	257.68	-	(56.79)	200.89
Fair valuation of investments through other comprehensive income	9.16	(9.16)	-	-
Liabilities				
Property, plant and equipment, investment property and intangible assets	(18.54)	-	(4.65)	(23.19)
Minimum alternate tax credit entitlement	234.27	-	20.33	254.60
Total	501.11	(9.16)	(36.46)	455.49

Particulars	31 March 2018**	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	31 March 2019
Assets				
Employee benefits	6.47	-	(6.47)	-
Expected credit losses on trade receivables	10.58	-	(1.47)	9.11
Unabsorbed business losses	57.13	-	(47.70)	9.43
Reversal of revenue and related costs as per Ind AS 115	256.03	-	1.65	257.68
Fair valuation of investments through other comprehensive income	-	9.16	-	9.16
Liabilities				
Property, plant and equipment, investment property and intangible assets	(74.18)	-	55.64	(18.54)
Minimum alternate tax credit entitlement	234.27	-	-	234.27
Total	490.30	9.16	1.65	501.11

**This was restated during year ended 31 March 2019.

The Company has minimum alternate tax credit entitlement amounting to Rs. 254.60 millions (31 March 2019: Rs. 234.27 millions). Such tax credits have been recognised on the basis that recovery is probable in the foreseeable future.

Pertaining to financial year ending	Expiry date	31 March 2020	31 March 2019
31 March 2015	31 March 2030	141.28	120.95
31 March 2016	31 March 2031	113.32	113.32
		254.60	234.27

11 Non-current tax assets (net)

Particulars	31 March 2020	31 March 2019
Advance income tax, including tax deducted at source (net of provisions)	446.88	817.79
	446.88	817.79

12 Other non-current assets

Particulars	31 March 2020	31 March 2019
Rent equalisation reserve	59.36	110.22
Prepaid expenses	4.68	-
	64.04	110.22

13 Inventories

Particulars	31 March 2020	31 March 2019
A Real estate properties under development (at cost)		
Cost of properties under development	39,118.56	35,933.11
Less: Provision for expected loss	(3,367.96)	(1,388.30)
Less: Transferred to developed properties	(8,545.96)	(8,545.96)
	27,204.64	25,998.85
B Real estate properties - developed (at cost)		
Cost of developed properties	8,545.96	8,545.96
Less: Cost of revenue recognized till date	(6,493.11)	(5,631.27)
	2,052.85	2,914.69
	29,257.49	28,913.54

14 Current investments

Particulars	31 March 2020	31 March 2019
Investment in mutual funds - quoted*		
100 (31 March 2019: 87,559) Indiabulls Mutual Fund Saving	0.11	159.75
507,746.183 (31 March 2019: Nil) SBI Mutual Fund - Liquid	1,578.59	-
	1,578.70	159.75
Aggregate amount and market value of quoted investments	1,578.70	159.75

*These are investments in mutual funds and are measured at fair value through profit and loss.

15 Trade receivables

Particulars	31 March 2020	31 March 2019
Trade receivables - unsecured, considered good	292.43	312.70
Trade receivables - credit impaired	103.98	26.05
	396.41	338.75
Less : Expected credit losses on trade receivables	(103.98)	(26.05)
	292.43	312.70

16 Cash and cash equivalents

Particulars	31 March 2020	31 March 2019
Balances with banks in current accounts	181.28	60.83
Cash on hand	-	0.02
Bank deposits with original maturity upto three months*	37.55	221.02
	218.83	281.87

*Bank deposits (excluding interest accrued) of Rs. 37.55 million (31 March 2019: Rs. 221.02 million) are held as margin money/security against unfunded facility.

17 Other bank balances

Particulars	31 March 2020	31 March 2019
Bank deposits - with maturity of more than three months and upto twelve months*	82.39	72.63
	82.39	72.63

*Bank deposits (excluding interest accrued) of Rs. 82.21 million (31 March 2019: Rs. 71.32 million) have been held as margin money/security against borrowings including unfunded facility.

18 Other financial assets - current

Particulars	31 March 2020	31 March 2019
(Unsecured, considered good)		
Finance lease receivable (refer note 43)*	16.50	5.26
Recoverable from others	4.84	3.43
	21.34	8.69

* The Company has entered into finance leases with parties for a period of 5 years. The rate of interest charged on the leases since the inception date is 12% p.a. and 18% p.a. respectively. The Company recognises the finance income over the period of finance lease.

19 Other current assets

Particulars	31 March 2020	31 March 2019
Advance to employees	-	0.10
Advance to suppliers/service providers	4,332.19	9,079.07
Prepaid expenses	4.54	23.20
Balances with statutory authorities	220.44	190.99
Rent equalisation reserve	54.64	85.53
	4,611.81	9,378.89

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20 Share Capital**A Equity share capital**

Particulars	31 March 2020	31 March 2019
Authorised		
54,00,000 (31 March 2019 : 54,00,000) equity shares of Rs 10 each	54.00	54.00
	54.00	54.00
Issued, subscribed and fully paid up		
3,251,362 (31 March 2019 : 3,251,362) equity shares of Rs 10 each, fully paid up	32.51	32.51
	32.51	32.51

Notes**a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

Particulars	No. of shares	Amount
As at 1 April 2018	32,51,362	32.51
Issued during the year	-	-
As at 31 March 2019	32,51,362	32.51
Issued during the year	-	-
As at 31 March 2020	32,51,362	32.51

b) Shareholders holding more than 5% of equity shares:

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% holding	No. of shares	% holding
FIM Holdco 1 Limited	27,07,084	83.26%	13,53,464	41.63%
Ariston Investments Sub A Limited	5,44,278	16.74%	2,72,217	8.37%
M Holdco 2 Limited and its nominees	-	-	12,43,855	38.26%
Navilith Holdings Limited	-	-	3,81,826	11.74%
	32,51,362	100.00%	32,51,362	100.00%

* On 25 September 2019, the co-venturer Indiabulls Real Estate Limited has sold the remaining stake in the Company (held through its subsidiaries) to the other co-venturer FIM Holdco 1 Limited and Ariston Investments Sub A Limited. Accordingly, FIM Holdco 1 Limited has now become Holding Company of the Company.

c) Rights, preferences and restrictions attached to equity and preference shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Of the above, 29,761 equity shares of ₹ 10 each fully paid up have been issued on conversion of 505,953 compulsorily convertible debentures of ₹ 1,000 each fully paid up during the earlier years.

No bonus shares issued during the period of five years immediately preceding 31 March 2020.

No shares have been bought back during the period of five years immediately preceding 31 March 2020.

B Details of Preference share capital

Particulars	31 March 2020	31 March 2019
Authorised		
526,000 (31 March 2019: 526,000) equity shares of Rs 10 each#	526.00	526.00
	526.00	526.00

#Since the Company has not issued preference share capital, hence no other disclosure is presented.

21 Instruments entirely equity in nature

Particulars	31 March 2020	31 March 2019
Opening balance	-	-
10,000,000 (31 March 2019 : Nil) compulsorily convertible debentures of Rs. 100 each	1,000.00	-
	1,000.00	-

Notes:**a) Reconciliation of the number of compulsorily convertible debentures outstanding at the beginning and at the end of the year:**

Particulars	No. of debentures	Amount
As at 1 April 2018	-	-
Issued during the year	-	-
As at 31 March 2019	-	-
Issued during the year	1,00,00,000	1,000.00
As at 31 March 2020	1,00,00,000	1,000.00

21 Instruments entirely equity in nature (Continued...)**b) Compulsorily convertible debentures holders holding more than 5% of debentures:**

Name of the debenture holder	As at 31 March 2020		As at 31 March 2019	
	No. of debentures	% holding	No. of debentures	% holding
FIM Holdco 1 Limited	83,26,000	83.26%		
Ariston Investments Sub A Limited	16,74,000	16.74%	-	-
	1,00,00,000	100.00%	-	-

c) Terms and restrictions attached to compulsorily convertible debentures

During the year ended 31 March 2020, the Company has issued 10,000,000 unsecured compulsorily convertible debentures ("CCDs") of face value Rs. 100 each aggregating to Rs. 1,000.00 million. Every 1,000 CCDs of Rs. 100 each shall be convertible into 11 equity shares of Rs. 10 each at any time post 5 years from the date of issue, at the option of holders of the CCDs. These CCDs do not carry any coupon and are interest free.

22 Other equity

Particulars	31 March 2020	31 March 2019
(i) Reserves and surplus		
Capital redemption reserve		
Balance at the beginning of the year	0.16	0.16
Balance at the end of the year	0.16	0.16
Securities premium		
Balance at the beginning of the year	8,841.85	8,841.85
Balance at the end of the year	8,841.85	8,841.85
Debenture redemption reserve		
Balance at the beginning of the year	150.00	150.00
Balance at the end of the year	150.00	150.00
Retained earning		
Balance at the beginning of the year	252.61	1,374.15
Add: Loss for the year	(1,825.99)	(1,121.54)
Balance at the end of the year	(1,573.38)	252.61
(ii) Other comprehensive income		
Fair valuation of investment		
Balance at the beginning of the year	(33.34)	-
Add: Movement during the year	(3,753.41)	(33.34)
Balance at the end of the year	(3,786.75)	(33.34)
Total of other equity	3,631.88	9,211.27

Capital redemption reserve:

The same has been created in accordance with provisions of Section 69 of the Companies Act 2013 for the buy back of 15,850 equity shares from the shareholders in previous years.

Securities premium:

Securities premium is used to record the premium on issue of shares. This can be utilised in accordance with provisions of the Companies Act 2013.

Retained earnings:

Retained earnings are created from the profit/loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Fair valuation of investment:

Any change in fair value of instruments classified as fair value through other comprehensive income is recognised here.

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23 Borrowings - non-current

Particulars	31 March 2020	31 March 2019
Secured		
Term loans		
From banks	26,788.55	25,199.81
Less: current maturities of non-current borrowings (refer note 28)	(739.15)	(462.03)
	26,049.40	24,737.78

A. Details of securities, repayment and interest on term loans (including current maturities of non-current borrowings):**I. For loan with sanction amount of Rs. 27,000.00 million from State Bank of India, outstanding amount Rs. 26,788.55 million (31 March 2019: Rs. Nil)****a) Security**

- Exclusive charge on the present and future receivables/cash flows of the Company including lease rentals generated out of 'One World Center' (formerly known as One Indiabulls Centre) situated at Jupiter Mills, Plot No. 841, Senapati Bapat Marg, Lower Parel, Mumbai, till full repayment of the loans/credit facilities along with interest and charges.
- Exclusive charge on the land and building of One World Center located at Jupiter Mills, Plot No. 841, Senapati Bapat Marg, Lower Parel, Mumbai.

b) Repayment terms and interest rate

Repayable in 180 monthly installments starting from 31 January 2020 and to be settled by 31 December 2034. Rate of interest is one year marginal cost of funds based lending rate (1 year MCLR) plus 0.38%. Carrying rate of interest as at year end on above the term loan is 8.23% per annum.

c) There are no defaults in repayment of principal or interest to lenders as at 31 March 2020.**B. Loans taken from bank repaid during the year**

Term loan of Rs.25,199.81 millions outstanding as on 31 March 2019 has been repaid during the year. It was secured by first pari passu charge of registered mortgage on proportionate share of land parcel bearing plot no. 841 underneath the project One World Centre (excluding one unit sold to British embassy, government parking and Sky Forest) and building constructed thereon, with unsold leasable area of approx. 16.38 lakhs square feet; first pari passu charge on entire current assets and movable fixed assets (excluding vehicles), both present and future, of the property; first pari passu charge by way of hypothecation over the rights, titles, interest, benefits, claims and demands of the project from all contracts, agreements, clearances, loss protection covers, any letter of credit, guarantee, performance bond, insurance contracts, policies, insurance proceeds pertaining to the project; over debt service reserve account; over the designated account maintained with the designated bank and repayable in 156-180 monthly structured installments from the date of first disbursement. Carrying rate of interest on the term loans is Nil (31 March 2019 - 8.25% - 9.00% p.a.)

C. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Other financial liabilities: current (interest accrued)	Total
Balance as at 1 April 2018	29,118.35	-	1.93	29,120.28
Proceeds from current/ non-current borrowings (including current maturities)	1,252.39	9,675.00	-	10,927.39
Repayment of current/ non-current borrowings (including current maturities)	(5,093.90)	(5,240.55)	-	(10,334.45)
Interest expense	-	-	2,751.52	2,751.52
Interest paid	-	-	(2,607.58)	(2,607.58)
Borrowings measured at amortized cost*	(77.03)	-	-	(77.03)
Balance as at 31 March 2019	25,199.81	4,434.45	145.87	29,780.13
Proceeds from current/ non-current borrowings (including current maturities)	27,000.00	2,187.50	-	29,187.50
Repayment of current/ non-current borrowings (including current maturities)	(25,505.14)	(6,304.45)	-	(31,809.59)
Interest expense	-	-	2,579.70	2,579.70
Interest paid	-	-	(2,715.35)	(2,715.35)
Borrowings measured at amortized cost*	93.88	-	-	93.88
Balance as at 31 March 2020	26,788.55	317.50	10.22	27,116.27

*These pertain to non-cash adjustments made during the year

24 Other financial liabilities - non-current

Particulars	31 March 2020	31 March 2019
Security deposits received	930.33	874.38
	930.33	874.38

25 Other non-current liabilities

Particulars	31 March 2020	31 March 2019
Deferred revenue	89.91	117.55
	89.91	117.55

26 Borrowings - current

Particulars	31 March 2020	31 March 2019
Unsecured loans		
Inter-corporate borrowings (refer note 44)	250.00	3,134.45
Loans from others	67.50	-
Commercial paper	-	1,300.00
	317.50	4,434.45

A. Details of securities, repayment and interest of unsecured loans:**I. For inter-corporate borrowings of Rs. 250.00 million from One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)****a) Security**

No security has been provided against the above borrowing.

b) Repayment terms and interest rate

Principal and interest repayable on demand. Rate of interest is 9.00% per annum.

c) There are no defaults in repayment of principal or interest to lenders as at 31 March 2020.**II. For inter-corporate borrowings of Rs Nil (31 March 2019 : Rs. 3,134.45 million) from related parties****a) Security**

No security has been provided on outstanding loan.

b) Repayment terms and interest rate

Principal and interest were repayable on demand. During the year ended 31 March 2020 and 31 March 2019, the rate of interest on the above inter corporate borrowings were in range of 9.00% - 12.00% p.a.

c) There are no defaults in repayment of principal or interest to lenders as at 31 March 2020.**III. For loan with amount of Rs. 67.50 million from others****a) Security**

No security has been provided against the above borrowing.

b) Repayment terms and interest rate

Principal and interest repayable on demand. Rate of interest is 4.20% per annum.

c) There are no defaults in repayment of principal or interest to lenders as at 31 March 2020.**IV. For commercial paper with amount of Rs Nil (31 March 2019 : Rs. 1,300.00 million) from financial institutions**

During the previous year ended 31 March 2019, the Company had issued commercial paper of ₹ 1,300.00 million carrying rate of interest of 9.75% p.a. The same were redeemed during the year.

27 Trade payables

Particulars	31 March 2020	31 March 2019
Total outstanding dues of micro enterprise and small enterprises (refer note below)	0.05	0.06
Total outstanding dues of creditors other than micro enterprise and small enterprises	376.01	399.02
	376.06	399.08

Note:

Particulars	As at 31 March 2020	As at 31 March 2019
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.05	0.06
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

28 Other financial liabilities

Particulars	31 March 2020	31 March 2019
Current maturities of non-current borrowings*	739.15	462.03
Interest accrued	10.22	145.87
Security deposits received	358.87	386.61
	1,108.24	994.51

*There have been no defaults in repayment of principal and interest as at 31 March 2020 and 31 March 2019. Also, refer note 23 for details with respect to terms and conditions.

29 Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred revenue	80.57	87.46
Payable to statutory authorities	78.15	127.46
Advance from commercial customers	25.83	16.66
Advance from residential customers	16,360.33	15,926.13
	16,544.88	16,157.71

30 Current tax liabilities (net)

Particulars	31 March 2020	31 March 2019
Provision for income tax, net of tax deducted at source	-	10.28
	-	10.28

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31 Revenue from operations

Particulars	31 March 2020	31 March 2019
Operating revenue		
Revenue from real estate properties	825.66	893.90
Rental income	3,067.03	3,081.15
Income from maintenance services	315.63	322.38
Income from car parking	28.41	28.73
	4,236.73	4,326.16
Other operating revenue		
Service receipts	-	10.41
	4,236.73	4,336.57

32 Other income

Particulars	31 March 2020	31 March 2019
Interest income		
on bank deposits	20.44	18.91
others	158.64	9.42
Excess provision written back	29.21	2.45
Miscellaneous income	3.51	1.02
	211.80	31.80

33 Cost of revenue

Particulars	31 March 2020	31 March 2019
Commercial		
Maintenance services*	359.70	359.74
	359.70	359.74
Residential**		
Cost incurred during the year	3,185.46	2,895.36
	3,185.46	2,895.36
	3,545.16	3,255.10
Increase in real estate properties		-
Opening stock	28,913.54	28,298.00
Closing stock	(29,257.48)	(28,913.54)
	(343.94)	(615.54)

*The maintenance services have been outsourced to a single vendor.

**As the total estimated cost exceeds the total expected revenues from the contracts, the Company has recognised provision for margin loss amounting to Rs. 1,979.66 million (31 March 2019: Rs 1,388.30 million)

34 Employee benefits expense*

Particulars	31 March 2020	31 March 2019
Salaries and wages	0.20	0.33
Contribution to provident and other funds**	-	0.00
Staff welfare	-	0.03
	0.20	0.36

*During the year, the Company had only one employee on the payroll. Since the minimum number of employees for the applicability of "Payment of Gratuity Act 1972" (the "Act") is ten, hence, the Company has not carried out actuarial valuation for the gratuity liability as at 31 March 2020.

**Contribution is amounting to Rs. Nil (31 March 2019: Rs. 0.001 million).

35 Finance costs

Particulars	31 March 2020	31 March 2019
Interest expenses*	558.17	855.60
Interest expense on taxation (refer note 52)	12.92	7.67
Other borrowing costs	267.89	27.30
	838.98	890.57

*During the year ended 31 March 2020, the Company has inventorized borrowing cost of Rs. 2,006.62 million (31 March 2019: Rs. 1,784.01 million) to cost of real estate properties under development at a weighted average capitalisation rate of 9.16% p.a.

36 Depreciation and amortisation expense

Particulars	31 March 2020	31 March 2019
Depreciation on property, plant and equipment*	9.19	10.27
Depreciation on investment property	325.96	321.69
Amortisation on intangible assets	0.23	0.51
	335.37	332.47

*Depreciation for the year of Rs. 61.36 million (31 March 2019: Rs. 61.31 million) has been inventorized as a part of real estate properties under development.

37A Impairment losses on financial assets

Particulars	31 March 2020	31 March 2019
Expected credit losses on trade receivables	77.93	5.00
	77.93	5.00

37B Other expenses

Particulars	31 March 2020	31 March 2019
Rates and taxes	96.20	99.86
Legal and professional charges	41.38	53.20
Auditor's remuneration (refer note 41)	2.80	2.68
Advertisement expenses	2.58	5.21
Insurance expenses	2.26	1.48
Repairs and maintenance	0.05	0.46
Brokerage and marketing expenses	6.11	18.97
Bank charges	3.24	0.88
Communication expenses	0.03	0.06
Corporate social responsibility expenses	-	11.77
Traveling and conveyance expenses	1.10	1.14
Customer incentive and other charges	1,518.75	1,425.19
Balances written off	0.48	-
Loss on sale of property, plant and equipment	0.05	-
Miscellaneous expenses	0.11	2.70
	1,675.14	1,623.60

38 Tax expense

Particulars	31 March 2020	31 March 2019
Current tax (including earlier years) (refer note 52)	109.21	-
Deferred tax charge/(credit)	36.46	(1.65)
Income tax expense reported in the Standalone Statement of Profit and Loss	145.67	(1.65)

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.944% and the reported tax expense in the standalone statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations	(1,680.31)	(1,123.18)
Accounting profit before income tax	(1,680.31)	(1,123.18)

At India's statutory income tax rate of 34.944% (31 March 2019: 34.944%)

	(587.17)	(392.49)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of benefits of assets assessed under house property	(313.96)	(321.41)
Tax impact of expenses which will never be allowed	96.11	90.76
Tax impact of unrecognised deferred tax on depreciation and business losses	777.36	619.84
Tax impact of earlier year items	109.21	-
Tax impact of reversal of revenue and related costs as per Ind AS 115	56.79	-
Tax impact of others	7.33	1.65
Tax expense	145.67	(1.65)

The Company has not elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

39 Earnings per share

Earnings per share ('EPS') is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following table sets forth the computation of basic and dilutive earnings per share:

Particulars	31 March 2020	31 March 2019
Net loss for the year attributable to equity shareholders	(1,825.99)	(1,121.54)
Nominal value of equity share (Rupees)	10.00	10.00
Total number of equity shares outstanding at the beginning of the year	32,51,362	32,51,362
Total number of compulsorily convertible debentures outstanding at the beginning of the year	-	-
Total number of equity shares outstanding at the end of the year	32,51,362	32,51,362
Total number of compulsorily convertible debentures outstanding at the end of the year*	1,00,00,000	-
Weighted average number of shares and compulsorily convertible debentures considered for calculation of basic and diluted earning per share	32,97,472	32,51,362
Earning per share - basic and diluted (Rupees)	(553.75)	(344.94)

*The Company had issued compulsorily convertible debentures which are expected to be converted into equity shares in the ratio of 1,000 CCDs : 11 equity shares and considered in calculation of basic earning per share.

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40 Contingent liabilities

Particulars	31 March 2020	31 March 2019
A Under litigation:		
Demand in excess of provision (pending in appeals)		
Service tax (2009-10 to 2013-14)	253.60	253.60
Service tax (2009-10)	3.70	3.70

B Contingent liabilities

The Company has certain litigations involving customers and vendors. Management believes that these claims may be payable as and when the outcome of matters are finally determined and hence not disclosed above. Based on advice of in-house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

41 Auditor's remuneration*

Particulars	31 March 2020	31 March 2019
Audit fees	1.80	2.00
Other services	0.90	0.63
Reimbursement of expenses	0.10	0.05
	2.80	2.68

*Excluding taxes

42 Operating leases – lessor

The Company is primarily engaged in the business of leasing of commercial office space and accordingly has leased its properties under both cancellable and non-cancellable operating lease agreement. Wherever considered necessary to reduce credit risk, the Company may obtain security in any form (for example: bank guarantee) for the term of the lease.

Particulars	31 March 2020	31 March 2019
Total lease rental income recognised in the statement of profit and loss	3,067.03	3,081.15

The future minimum lease receivables under non-cancellable operating leases in aggregate are as follows:

Particulars	31 March 2020	31 March 2019
0 - 1 year	1,197.65	2,283.90
1 - 2 year	655.58	1,196.62
2 - 3 year	181.67	553.32
3 - 4 year	42.65	129.53
4 - 5 year	14.93	29.49
More than 5 years	1.24	-

43 Finance leases – lessor

The Company has entered into agreements to provide furniture and fixture on lease, which has remaining term of one to five years. Wherever considered necessary to reduce credit risk, the Company may obtain security in any form (for example: bank guarantee) for the term of the lease.

Particulars	Future minimum lease payment	Unearned finance income	Present value of minimum lease payment
For the year ended 31 March 2020			
0 - 1 year	18.55	2.05	16.50
1 - 2 year	3.60	0.12	3.48
2 - 3 year	-	-	-
3 - 4 year	-	-	-
4 - 5 year	-	-	-
More than 5 years	-	-	-
For the year ended 31 March 2019			
0 - 1 year	6.67	1.41	5.26
1 - 2 year	6.67	0.75	5.93
2 - 3 year	2.22	0.12	2.11
3 - 4 year	-	-	-
4 - 5 year	-	-	-
More than 5 years	-	-	-
Particulars	31 March 2020	31 March 2019	
Finance income on the net investment in the lease	1.92	2.00	

Indiabulls Properties Private Limited

CIN : U45201HR2005PTC077760

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts in Rs. millions unless otherwise stated)

44 Related party transactions**i) Names of related parties and description of relationship****A Ultimate Holding company**

BREP Asia SG L&T Holding (NQ) Pte Ltd [with effect from 25 September 2019]

B Holding company

FIM Holdco 1 Limited [with effect from 25 September 2019]

C Subsidiary

Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)

D Co-venturers exercising joint control

FIM Holdco 1 Limited [upto 24 September 2019]

Ariston Investments Sub A Limited [upto 24 September 2019]

M Holdco 2 Limited [upto 24 September 2019]

Navilith Holdings Limited [upto 24 September 2019]

E Key management personnel

Mr. Siddhartha Gupta : Director

Mr. Siddharth Nawal : Director

Mr. Mohit Arora : Director

Mr. Dhiren Narendra Jhaveri : Director

F Entities exercising control*

Indiabulls Real Estate Limited [upto 24 September 2019]

BREP Asia SG L&T Holding(NQ) Pte. Ltd. [upto 24 September 2019]

BREP Asia SBS L&T Holding (NQ) Ltd. [upto 24 September 2019]

BREP VIII SBS L&T Holding (NQ) Ltd. [upto 24 September 2019]

*these are holding entities of co-venturers exercising joint control

G Subsidiaries of entities exercising joint control

Citra Properties Limited [upto 24 September 2019]

Indiabulls Constructions Limited [upto 24 September 2019]

Indiabulls Infraestate Limited [upto 24 September 2019]

H Fellow subsidiary companies

One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited) [with effect from 25 September 2019]

I Entities under joint control of entities exercising joint control

One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited) [upto 24 September 2019]

J Entities having significant influence

Ariston Investments Sub A Limited [with effect from 25 September 2019]

ii) Related party transactions**The following is a summary of related party transactions**

Particulars	31 March 2020	31 March 2019
Current borrowings taken from:		
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	610.00	2,700.00
Indiabulls Real Estate Limited	1,260.00	4,675.00
Current borrowings repaid to:		
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	3,060.00	-
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	-	0.31
Indiabulls Real Estate Limited	1,694.45	4,240.55
Corporate guarantee extinguished (net):		
Indiabulls Real Estate Limited	-	3,837.75
Electricity recovery:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	15.31	16.21
Office maintenance charges:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	359.70	359.74
Construction related expenses:		
Indiabulls Construction Limited	3,898.63	984.39
Interest expenses:		
Indiabulls Real Estate Limited	4.13	79.19
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	131.83	184.00

Indiabulls Properties Private Limited**CIN : U45201HR2005PTC077760****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020**

(All amounts in Rs. millions unless otherwise stated)

44 Related party transactions (Continued...)

Particulars	31 March 2020	31 March 2019
Reimbursement of expenses:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	8.18	9.49
Indiabulls Construction Limited	-	7.54
Indiabulls Infraestate Limited	-	9.06
Citra Properties Limited	-	2.10

iii) Related party balances as at year end

Particulars	31 March 2020	31 March 2019
Current borrowings:		
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	250.00	2,700.00
Indiabulls Real Estate Limited	-	434.45
Interest accrued:		
Indiabulls Real Estate Limited	-	39.26
One International Center Private Limited (formerly known as Indiabulls Real Estate Company Private Limited)	1.13	106.60
Corporate guarantee received (net):		
Indiabulls Real Estate Limited	-	25,645.28
Trade receivables:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	8.85	1.19
Trade payables:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	211.71	207.72
Investment:		
Opcore Services Limited (formerly known as Indiabulls Realty Developers Limited)	0.05	0.05
Indiabulls Construction Limited	-	4,207.50
Advance to suppliers/service providers:		
Indiabulls Construction Limited	-	9,079.13

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45 Segment information**(i) General information**

An operating segment is a component of a group that engages in business activities on which it earns revenue and incurs expenses and for which separate financial information is available. The Company has two operating and reportable segments which are Companies strategic business units. These operating segments are monitored by group's chief operating decision maker to access performance and evaluate strategic decisions.

Real estate development

The Company has prime focus on construction and development of residential and commercial projects across Mumbai.

Rental

The Company has rental structure in Mumbai on which the Company has locked in rental for future years.

(ii) Segment information**Year ended 31 March 2020**

Particulars	Real estate	Rental	Total of segments
Revenue			
External customers	825.66	3,411.07	4,236.73
Total revenue	825.66	3,411.07	4,236.73
Segment expenses	4,372.25	1,735.82	6,108.07
Segment profit	(3,546.59)	1,675.25	(1,871.34)
Segment assets	34,018.67	12,037.07	46,055.74
Segment liabilities	16,360.33	1,485.47	17,845.80

Year ended 31 March 2019

Particulars	Real estate	Rental	Total of segments
Revenue			
External customers	904.31	3,432.26	4,336.57
Total revenue	904.31	3,432.26	4,336.57
Segment expenses	3,721.01	1,673.62	5,394.63
Segment profit	(2,816.70)	1,758.64	(1,058.06)
Segment assets	38,549.29	12,428.21	50,977.50
Segment liabilities	15,926.13	1,482.66	17,408.79

Reconciliation to amount reflected in financial statements

Reconciliation of profit	31 March 2020	31 March 2019
Segment profit	(1,871.34)	(1,058.06)
Unallocated income	211.80	31.80
Unallocated expense	(20.78)	(96.92)
Income-tax expense	(145.67)	1.64
Net loss after tax	(1,825.99)	(1,121.54)

Reconciliation of assets	31 March 2020	31 March 2019
Segment operating assets	46,055.74	50,977.50
Other unallocables assets	4,024.96	5,992.02
Total assets*	50,080.71	56,969.52

*All the assets are in India.

Reconciliation of liabilities	31 March 2020	31 March 2019
Segment operating liabilities	17,845.80	17,408.79
Other unallocables liabilities	27,570.51	30,316.95
Total liabilities	45,416.31	47,725.74

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46 Fair value measurement**i) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

ii) Financial assets and financial liabilities measured at fair value – recurring fair value measurements

Particulars	As at 31 March 2020			As at 31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit and loss						
Investments - Mutual fund	2,302.26	-	-	159.75	-	-
Financial assets measured at fair value through other comprehensive income						
Investments - Optionally convertible redeemable preference shares	-	-	463.25	-	-	4,207.50
Total	2,302.26	-	463.25	159.75	-	4,207.50

iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

a) Use of net asset value for mutual funds on the basis of the statement received from investee party.

b) The fair value of unquoted optionally convertible redeemable preference is estimated by discounting future cash flows using rates currently available for capital on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value		Significant unobservable inputs	Data inputs		Sensitivity analysis
	31 Mar 2020	31 Mar 2019		31 Mar 2020	31 Mar 2019	
Optionally convertible preference shares	463.25	4,207.50	Discount rate	15.59%	16.71%	Change of +/-0.01% in discount rate has following impacts - 31 March 2020 +0.01% gain of Rs. 0.73 million -0.01% loss of Rs. 0.73 million 31 March 2019 +0.01% loss of Rs. 0.42 million -0.01% gain of Rs. 0.42 million Sensitivity analysis is not presented as the investment has been made at the year end.

v) The following table presents the changes in level 3 items for the year ended 31 March 2020 and 31 March 2019:

Particulars	Optionally convertible preference share
As at 1 April 2018	4,250.00
Loss recognised in other comprehensive income	(42.50)
As at 31 March 2019	4,207.50
Loss recognised in other comprehensive income	(3,744.25)
As at 31 March 2020	463.25

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47 Financial risk management**i) Financial instruments by category****

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at amortized cost				
Trade receivables	292.43	292.43	312.70	312.70
Cash and cash equivalents	218.83	218.83	281.87	281.87
Other bank balances	82.39	82.39	72.63	72.63
Other financial assets	51.62	51.62	31.27	31.267
Financial assets measured through other comprehensive income				
Optionally convertible redeemable preference shares of Indiabulls Constructions Limited#	463.25	463.25	4,207.50	4,207.50
Financial assets measured at fair value through profit and loss				
Investment in mutual funds*	2,302.26	2,302.26	159.75	159.75
Total	3,410.78	3,410.78	5,065.72	5,065.72
Financial liabilities measured at amortized cost				
Borrowings - including current maturities	27,106.05	27,106.05	29,634.26	29,634.26
Trade payables	376.06	376.06	399.08	399.08
Other financial liabilities (excluding current maturities of non-current borrowings)	1,299.42	1,299.42	1,406.86	1,406.86
Total	28,781.53	28,781.53	31,440.20	31,440.20

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

**Investments in equity instruments are measured at cost as per Ind AS 27 'Separate Financial Statement'

ii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management**i) Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expected credit loss*
A. Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss or life time expected credit loss or fully provided for
C. High credit risk	Trade receivables	Life time expected credit loss or fully provided for

* Life time expected credit loss is provided for trade receivables

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in standalone statement of profit and loss.

Assets under credit risk –

Credit rating	Particulars	31 March 2020	31 March 2019
A: Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	645.27	698.47
C: High credit risk	Trade receivables	103.98	26.05

47 Financial risk management (Continued...)**ii) Concentration of financial assets**

The Company's principal business activities are revenue from sale of real estate properties and rental income. Loans and other financial assets majorly represents money advanced for business purposes. The Company's exposure to credit risk for trade receivables is as below.

Particulars	31 March 2020	31 March 2019
Real estate projects receivables	-	-
Rental receivables	292.43	312.70

b) Credit risk exposure**Provision for expected credit losses**

The Company provides for 12 month or lifetime expected credit losses for following financial assets –

As at 31 March 2020

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	218.83	-	218.83
Trade receivables	396.41	(103.98)	292.43
Other bank balances	82.39	-	82.39
Other financial assets	51.62	-	51.62

As at 31 March 2019

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	281.87	-	281.87
Trade receivables	338.75	(26.05)	312.70
Other bank balances	72.63	-	72.63
Other financial assets	31.27	-	31.27

Expected credit loss for trade receivables under simplified approach**Rental business**

The Company considers provision for lifetime expected credit loss. Given the nature of business operations, the receivables from rental business has low credit risk as the Company holds security deposits against the premises given on rentals. Further, historical trends indicate some shortfall between such deposits held by the Company and amounts due from customers. Hence, with the historical loss experience and forward looking information, the Company has provided expected credit loss in relation to receivables from rental business.

Real estate business

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables does not have any expected credit loss as transfer of legal title of properties is made once the Company receives the entire consideration and hence, these have been considered as low credit risk assets. Further, during the periods presented, the Company has made no write-offs of trade receivables.

Reconciliation of loss provision – trade receivables

Reconciliation of loss allowance	Trade receivables
Loss allowance on 31 March 2018	21.05
Expected credit losses for the year	5.00
Loss allowance on 31 March 2019	26.05
Expected credit losses for the year	77.93
Loss allowance on 31 March 2020	103.98

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2020	Less than 1 yr	1 to 5 Years	Above 5 Years	Total
Non-derivatives				
Borrowings (including interest accrued)	1,070.28	4,725.00	21,370.44	27,165.72
Trade payable	376.06	-	-	376.06
Other financial liabilities	371.18	1,003.43	95.67	1,470.27
Total	1,817.51	5,728.43	21,466.11	29,012.05

31 March 2019	Less than 1 yr	1 to 5 Years	Above 5 Years	Total
Non-derivatives				
Borrowings (including interest accrued)	5,071.12	3,750.10	21,102.24	29,923.46
Trade payable	399.08	-	-	399.08
Other financial liabilities	500.42	973.95	1.15	1,475.52
Total	5,970.62	4,724.05	21,103.39	31,798.06

47 Financial risk management (Continued...)**C Market risk****a) Interest rate risk****Liabilities**

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2020	31 March 2019
Variable rate borrowing	26,788.55	25,199.81
Fixed rate borrowing	317.50	4,434.45
Total borrowings	27,106.05	29,634.26

Sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	31 March 2020	31 March 2019
Interest rates – increase by 100 basis points (31 March 2019: 100 basis points)	(267.89)	(252.00)
Interest rates – decrease by 100 basis points (31 March 2019: 100 basis points)	267.89	252.00

Assets

The Company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments-

Particulars	31 March 2020	31 March 2019
Optionally convertible preference shares		
Price increase by (2%) - FVOCI instrument	9.27	84.15
Price decrease by (2%) - FVOCI instrument	(9.27)	(84.15)
Mutual funds		
Price increase by (2%) - FVTPL instrument	46.05	3.20
Price decrease by (2%) - FVTPL instrument	(46.05)	(3.20)

48 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value and safeguard the Company's ability to continue as a going concern.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's capital structure mainly constitutes debt. The Company's capital structure is influenced by the changes in regulatory framework, government policies, available options of financing and the impact of the same on the liquidity position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, including interest-bearing loans and borrowings less cash and cash equivalents. Total equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	31 March 2020	31 March 2019
Total borrowings (including interest accrued)	27,116.27	29,780.13
Less: Cash and cash equivalents	(218.83)	(281.87)
Adjusted net debt*	26,897.44	29,498.26
Total equity	4,664.39	9,243.78
Adjusted net debt to total equity ratio	5.77	3.19

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49 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	31 March 2020	31 March 2019
Current		
Financial assets		
First charge		
Trade receivables	292.43	-
Pari passu charge		
Trade receivables	-	312.70
Cash and cash equivalents	-	221.02
Other bank balances	-	72.63
Total current assets pledged as securities	292.43	606.34
Non-current		
First charge		
Investment property	11,606.14	-
Non-current investment - mutual fund	723.56	-
Pari passu charge		
Investment property	-	11,883.25
Property, plant and equipment (excluding vehicles)	-	286.24
Other financial assets	-	6.09
Total non-current assets pledged as security	12,329.70	12,175.58
Total assets pledged as security	12,622.13	12,781.93

50 A. Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	31 March 2020	31 March 2019
(i) Revenue from contracts with customers		
(a) Revenue from maintenance services	315.63	322.38
(b) Revenue from sale of real estate properties	825.66	893.90
(ii) Revenue from others		
(a) Revenue from car parking	28.41	28.73
(ii) Other operating revenue (service receipts)	-	10.41
Total revenue covered under Ind AS 115	1,169.70	1,255.42

B. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	31 March 2020	31 March 2019
Contract liabilities		
Advance from customers - maintenance	1.92	0.82
Advance from customers - residential	16,360.33	15,926.13
Total contract liabilities	16,362.25	15,926.95
Receivables		
Trade receivables - maintenance	10.84	7.76
Total receivables	10.84	7.76

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

C. Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Contract liabilities		Contract liabilities	
	Advances from customers		Advances from customers	
	Residential	Maintenance	Residential	Maintenance
Opening balance	15,926.13	0.82	17,138.32	0.82
(Refund)/addition during the year	1,259.86	305.89	(318.29)	314.62
Revenue recognised during the year	(825.66)	(304.79)	(893.90)	(314.62)
Closing balance	16,360.33	1.92	15,926.13	0.82

D. The aggregate amount of transaction price allocated to the performance obligations (not yet complete) as at 31 March 2020 is ₹ 16,362.25 millions (at 31 March 2019 is ₹ 15,926.95 Millions). This balance represents the advance received from customers (gross) against real estate properties under development and maintenance of rental properties. The management expects to further bill and collect the remaining balance of total consideration in the coming years. These balances will be recognised as revenue in future years as per the policy of the Company.

E. Reconciliation of revenue recognised with contract revenue:

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Contract revenue	825.66	899.17
Adjustment for subvention cost	-	(5.28)
Revenue from sale of real estate properties	825.66	893.90

* Subvention cost represent the expected cash outflow under the arrangement determined basis time elapsed.

- 51 All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.
- 52 During the current year, the Settlement Commission passed final orders under section 245D(4) in respect of the applications made to the Settlement Commission dated 3 October 2017. Pursuant to the orders, additional tax expense of Rs. 94.70 million has been determined and recorded in the financial statements. Additionally, the Company has also booked interest of Rs. 11.24 million due to payment of above additional tax expense on an instalment basis.
- 53 The outbreak of 'Covid-19' has severely impact businesses around the world. In many countries, including India, there has been severe disruption of regular business operations due to lock down restrictions and other emergency measures imposed by the Government. The management has made a detailed assessment of its liquidity position including recoverability of its receivables, business and other advances as at balance sheet date. Based on the current indicators of future economic conditions, the management expects to recover carrying amount of these assets. The Company owns two residential projects. One of the residential projects is a completed project and has been fully sold out and the other project is under construction. The Company has started the construction on the under construction residential project in a phased manner as per the Government's directives subsequent to the year ended 31 March 2020 and expects development to be completed by June 2021. The management will continue to closely monitor any material change to future economic conditions.
- 54 Subsequent to the year-end, the board of directors, in their meeting dated 13 April 2020, approved Scheme of Arrangement ("the Scheme") between Indiabulls Properties Private Limited ("IPPL" or "the Demerged Company") and BXIN Office Parks India Private Limited ("Resulting Company") and their respective shareholders, involving the demerger of the business of owning, operating and maintaining of an Information Technology Park located in Mumbai, along with all related assets, liabilities and employees ("Demerged Undertaking"). Once the Scheme is approved, the Demerged Undertaking will be demerged from the Demerged Company and will be merged into Resulting Company.
- 55 The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
- 56 Pursuant to the recent judgment by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of judgement and period from which the same applies and accordingly, the Company has not provided for any liability on account of this.
- 57 **Expenditure on corporate social responsibility activities (CSR)**
As per Section 135 of the Companies Act, 2013, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to spend Rs. 0.06 million (31 March 2019: Rs. 11.77 million) for Corporate Social Responsibility activities. The Company has incurred CSR expenditure of Rs. Nil during the current year (31 March 2019: Rs. 11.77 million).

Particulars	31 March 2020	31 March 2019
(a) Amount required to be spent by the Company during the year	0.06	11.77
(b) Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	11.77

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration number: 001076N/N500013

For and on behalf of the Board of Directors of
Indiabulls Properties Private Limited

Neeraj Sharma
Partner
Membership No.: 502103
Place: New Delhi
Date: 4 September 2020

Sidharth Nawal
Director
[DIN: 07916449]
Place: Mumbai
Date: 4 September 2020

Siddhartha Gupta
Director
[DIN: 05146690]
Place: Mumbai
Date: 4 September 2020

Independent Auditor's Report

To the Members of Indiabulls Properties Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Indiabulls Properties Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

11. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act; and
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 22 April 2019 as per Annexure B expressed unmodified opinion;
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 39 to the standalone financial statements, has disclosed the impact of pending litigation(s) on its financial position as at 31 March 2019;

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

Place: Gurugram
Date: 22 April 2019

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited, on the standalone financial statements for the year ended 31 March 2019

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, investment properties and other intangible assets.
- (b) The property, plant and equipment and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment and investment property is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Investment property') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited, on the standalone financial statements for the year ended 31 March 2019

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax	2,536.00	-	2009-10 to 2013-14	Commissioner of Service Tax
The Finance Act, 1994	Service tax	37.00	-	2009-10	Hon'ble Supreme Court

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or any dues to debenture-holders during the year. The Company has no loans or borrowings payable to the government during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(This space has been intentionally left blank)

Annexure A to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited, on the standalone financial statements for the year ended 31 March 2019

- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103

Place: Gurugram
Date: 22 April 2019

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2019

Annexure B

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Indiabulls Properties Private Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure B to the Independent Auditor's Report of even date to the members of Indiabulls Properties Private Limited on the standalone financial statements for the year ended 31 March 2019

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Sharma

Partner

Membership No.: 502103

Place: Gurugram

Date: 22 April 2019

	Note	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**	1 April 2017 (₹ in lakhs) (Restated)**
I ASSETS				
Non-current assets				
Property, plant and equipment	6	2,984.80	3,688.90	4,212.18
Investment property	7	1,18,832.55	1,21,898.63	1,22,875.67
Other intangible assets	8	4.61	9.68	18.24
Financial assets				
Investments	9A	42,075.49	42,500.49	0.49
Loans	10	84.56	90.01	145.36
Other financial assets	11A	141.36	193.96	240.64
Deferred tax assets (net)	12	5,011.08	4,903.02	3,371.27
Non-current tax assets (net)	13	8,177.89	5,271.10	5,194.35
Other non-current assets	14A	1,102.19	1,322.18	2,443.63
		1,78,414.53	1,79,877.97	1,38,501.83
Current assets				
Inventories	15	2,89,135.38	2,82,979.96	2,79,774.39
Financial assets				
Investments	9B	1,597.50	4,512.43	3,146.68
Trade receivables	16	3,126.99	3,942.53	2,544.63
Cash and cash equivalents	17	2,818.70	2,601.34	1,902.23
Other bank balances	18	726.29	5,494.77	930.17
Loans		-	-	13,555.00
Other financial assets	11B	86.95	64.21	41.43
Other current assets	14B	93,788.93	1,06,102.69	1,17,557.47
		3,91,280.74	4,05,697.93	4,19,452.00
		5,69,695.27	5,85,575.90	5,57,953.83
II. EQUITY AND LIABILITIES				
Equity				
Equity share capital	19	325.14	325.14	322.16
Instruments entirely equity in nature	20A	-	-	5,059.53
Other equity	20B	92,112.69	1,03,661.52	89,530.83
		92,437.83	1,03,986.66	94,912.52
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	21A	2,47,377.79	2,68,105.62	2,36,796.11
Other financial liabilities	23A	8,743.84	10,731.77	9,162.15
Provisions	24A	-	182.75	130.96
Other non-current liabilities	25A	1,175.54	1,416.35	2,404.54
		2,57,297.17	2,80,436.49	2,48,493.76
Current liabilities				
Financial liabilities				
Borrowings	21B	44,344.51	-	-
Trade payables				
Total outstanding dues of micro enterprise and small enterprises	22A	0.63	-	-
Total outstanding dues of creditors other than micro enterprise and small enterprises	22B	3,990.19	2,979.16	2,064.88
Other financial liabilities	23B	9,945.08	23,857.34	20,095.67
Other current liabilities	25B	1,61,577.04	1,73,641.22	1,92,384.04
Provisions	24B	-	4.28	2.96
Current tax liabilities (net)	26	102.82	670.75	-
		2,19,960.27	2,01,152.75	2,14,547.55
		5,69,695.27	5,85,575.90	5,57,953.83

Summary of significant accounting policies

5

The accompanying notes are integral part of the standalone financial statements.

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. - 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No.: 502103

Kubeir Kherra
Executive Director
[DIN: 03498226]

Niraj Tyagi
Director
[DIN: 07309635]

Amit Bhoite
Chief Financial Officer

Swati Nehra
Company Secretary

Place: Gurugram
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Indiabulls Properties Private Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2019

	Note	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
Revenue			
Revenue from operations	27	43,365.63	45,421.46
Other income	28	318.04	549.22
		43,683.67	45,970.68
Expenses			
Cost of revenue	29		
Cost incurred during the year/maintenance services		32,551.04	19,486.00
Decrease/(increase) in real estate properties		(6,155.41)	(3,205.57)
Employee benefits expense	30	3.57	1,991.25
Finance costs	31	8,905.67	7,920.24
Depreciation and amortisation expense	8.1	3,324.65	3,265.18
Impairment losses	32A	50.00	56.32
Other expenses	32B	16,236.04	5,167.04
		54,915.56	34,680.46
(Loss)/profit before tax		(11,231.89)	11,290.22
Tax expenses	33		
Current tax (refer note 44)		-	4,098.04
Deferred tax credit		(16.48)	(1,880.50)
Net (loss)/profit for the year		(11,215.41)	9,072.68
Other comprehensive income	20B		
Items that will not be reclassified to profit and loss			
Re-measurement gains on defined benefit plans		-	2.22
Net loss on fair valuation of investment through other comprehensive income		(425.00)	-
Income-tax effect		91.58	(0.77)
Other comprehensive income		(333.42)	1.45
Total comprehensive income for the year		(11,548.83)	9,074.13
Earnings per equity share	34		
Basic (₹)		(344.94)	281.51
Diluted (₹)		(344.94)	281.51

Summary of significant accounting policies

5

The accompanying notes are an integral part of the standalone financial statements.

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No. - 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma

Partner

Membership No.: 502103

Kubeir Khara

Executive Director

[DIN: 03498226]

Niraj Tyagi

Director

[DIN: 07309635]

Amit Bhoite

Chief Financial Officer

Swati Nehra

Company Secretary

Place: Gurugram

Date: 22 April 2019

Place: Mumbai

Date: 22 April 2019

Place: Mumbai

Date: 22 April 2019

Place: Mumbai

Date: 22 April 2019

Place: Mumbai

Date: 22 April 2019

Indiabulls Properties Private Limited
Standalone Cash Flow Statement for the year ended 31 March 2019

	Note	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
A Cash flow from operating activities:			
(Loss)/profit before tax		(11,231.89)	11,290.22
<i>Adjustments for:</i>			
Depreciation and amortisation expenses		3,324.65	3,265.18
Provision for employee benefits		-	53.11
Profit on sale of property, plant and equipment (net)		-	(2.48)
Excess provision written back		(24.46)	(239.02)
Interest income on fixed deposit		(189.11)	(208.11)
Interest expenses		8,664.75	7,613.83
Expected credit losses on trade receivables		50.00	56.32
Balances written off		-	173.79
Straight lining impact on rental income		217.84	664.55
Operating profit before working capital changes and other adjustments:		811.78	22,667.39
<i>Working capital changes and other adjustments:</i>			
Decrease/(Increase) in trade receivables		815.54	(1,442.27)
Decrease/(Increase) in inventory		12,328.03	13,291.13
Decrease/(Increase) in loans		5.45	13,610.35
Decrease/(Increase) in other current & non current financial assets		29.85	(149.88)
Decrease/(Increase) in other current assets and other non-current assets		12,310.26	11,911.73
Increase/(Decrease) in trade payables		1,011.04	914.28
Increase/(Decrease) in other financial & other non-current financial liabilities		1,118.01	1,241.96
Increase/(Decrease) in other current and non-current liabilities		(12,280.53)	(18,833.15)
Increase/(Decrease) in Provisions		(187.03)	-
Cash flow from operating activities		15,962.40	43,211.54
Income taxes paid (net)		(3,551.39)	(3,826.43)
Net cash flow from operating activities		12,411.01	39,385.11
B. Cash flow from investing activities:			
Purchase of property, plant and equipment, investment property and capital advances		(156.74)	(2,407.43)
Proceeds from sale of property, plant and equipment		-	7.04
Purchase of investments - mutual funds		(1,86,167.95)	(6,17,638.90)
Sale of investments - mutual funds		1,89,202.07	6,16,598.45
Purchase of investments - preference shares		-	(42,500.00)
Investment in fixed deposits		(787.16)	(16,824.09)
Redemption of fixed deposits		5,555.64	12,356.09
Interest received		306.98	135.72
Net cash flow from/(used in) investing activities		7,952.84	(50,273.12)
C. Cash flow from financing activities:			
Proceeds from borrowings from banks		12,523.88	3,29,329.53
Repayment of borrowings to banks		(37,939.00)	(2,73,537.15)
Proceeds from issue of non-convertible debentures		-	20,000.00
Repayment of non-convertible debentures		(13,000.00)	(37,500.00)
Proceeds from short-term borrowings		96,750.00	2,59,342.67
Repayment of short-term borrowings		(52,405.49)	(2,59,342.67)
Interest paid		(26,075.88)	(26,705.26)
Net cash (used in)/flow from financing activities		(20,146.49)	11,587.12
D. Net increase in cash and cash equivalents (A+B+C)		217.36	699.11
E. Cash and cash equivalents at the beginning of the year		2,601.34	1,902.23
F. Cash and cash equivalents at the end of the year (D+E)		2,818.70	2,601.34
Cash and cash equivalents includes (refer note 17):			
Cash on hand		0.25	9.06
Balances in banks - in current accounts		608.29	454.02
Bank deposits with original maturity upto three months		2,210.16	2,138.26
		2,818.70	2,601.34

Summary of significant accounting policies

5

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. - 001076N/N500013

For and on behalf of board of directors

Neeraj Sharma
Partner
Membership No.: 502103

Kubeir Khara
Executive Director
[DIN: 03498226]

Niraj Tyagi
Director
[DIN: 07309635]

Amit Bhoite
Chief Financial Officer

Swati Nehra
Company Secretary

Place: Gurugram
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Indiabulls Properties Private Limited
Standalone Statement of Changes in Equity as at 31 March 2019

A Equity share capital*

(₹ in lakhs)

Particulars	Balance as at 1 April 2017	Issue of equity share capital during the year	Balance as at 31 March 2018	Issue of equity share capital during the year	Balance as at 31 March 2019
Equity share capital	322.16	2.98	325.14	-	325.14

B Instruments entirely equity in nature**

(₹ in lakhs)

	Instruments entirely equity in nature
Balance as at 1 April 2017	5,059.53
Conversion of compulsory convertible debentures (coupon rate 15%)	(5,059.53)
Balance as at 31 March 2018	-
Conversion of compulsory convertible debentures (coupon rate 15%)	-
Balance as at 31 March 2019	-

B Other equity**

(₹ in lakhs)

	Reserves and surplus				Other comprehensive income	Total
	Capital redemption reserve	Securities premium	Debt redemption reserve	Retained earnings	Fair valuation of investment	
Balance as at 1 April 2017 (Restated)***	1.59	83,361.91	-	6,167.33	-	89,530.83
Profit for the year (restated)***	-	-	-	9,072.68	-	9,072.68
Other comprehensive income						
Re-measurement gain on defined benefit plans (net of tax)	-	-		1.45	-	1.45
Transfer to debt redemption reserve	-	-	1,500.00	(1,500.00)	-	-
Conversion of compulsory convertible debentures	-	5,056.56	-	-	-	5,056.56
Balance as at 31 March 2018 (Restated)***	1.59	88,418.47	1,500.00	13,741.46	-	1,03,661.52
Loss for the year	-	-	-	(11,215.41)	-	(11,215.41)
Other comprehensive income						
Net loss on fair valuation of investment through other comprehensive income (net of tax)	-	-	-	-	(333.42)	(333.42)
Balance as at 31 March 2019	1.59	88,418.47	1,500.00	2,526.05	(333.42)	92,112.69

*Refer note 19 for details

**Refer note 20 for details

***Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No. - 001076N/N500013

For and on behalf of the board of directors

Neeraj Sharma
Partner
Membership No.: 502103

Kubeir Khera
Executive Director
[DIN: 03498226]

Niraj Tyagi
Director
[DIN: 07309635]

Amit Bhoite
Chief Financial Officer

Swati Nehra
Company Secretary

Place: Gurugram
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019

6 Property, plant and equipment

(₹ in lakhs)

	Building (temporary structure)	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Gross block							
At 1 April 2017	88.36	6,772.85	296.60	162.69	550.48	71.92	7,942.90
Additions	-	33.44	10.15	43.10	0.73	113.75	201.17
Disposals/assets written off	-	(83.29)	(0.56)	-	-	-	(83.85)
Balance as at 31 March 2018	88.36	6,723.00	306.19	205.79	551.21	185.67	8,060.22
Additions	-	11.20	-	0.42	-	-	11.62
Disposals/assets written off	-	-	-	-	-	(12.73)	(12.73)
Balance as at 31 March 2019	88.36	6,734.20	306.19	206.21	551.21	172.94	8,059.11
Accumulated depreciation							
At 1 April 2017	88.36	2,832.64	265.28	118.14	394.99	31.31	3,730.72
Charge for the year	-	627.43	10.90	27.70	44.46	11.87	722.36
Adjustments for disposals	-	(81.58)	(0.18)	-	-	-	(81.76)
Balance as at 31 March 2018	88.36	3,378.49	276.00	145.84	439.45	43.18	4,371.32
Charge for the year	-	612.98	9.24	30.76	42.68	20.06	715.72
Adjustments for disposals/assets written off	-	-	-	-	-	(12.73)	(12.73)
Balance as at 31 March 2019	88.36	3,991.47	285.24	176.60	482.13	50.51	5,074.31
Net block as at 31 March 2018	-	3,344.51	30.19	59.95	111.76	142.49	3,688.90
Net block as at 31 March 2019	-	2,742.73	20.95	29.61	69.08	122.43	2,984.80

(i) Property, plant and equipment pledged as security

Property, plant and equipment have been pledged as security for borrowings (refer note 21).

(ii) Contractual obligations

There are no contractual commitments with respect to property, plant and equipment.

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7 Investment property	(₹ in lakhs)			
	Land	Building	Plant and machinery	Total
Gross block				
At 1 April 2017	17,773.53	1,08,088.17	13,776.09	1,39,637.79
Additions	-	2,206.26	-	2,206.26
Balance as at 31 March 2018	17,773.53	1,10,294.43	13,776.09	1,41,844.05
Additions	-	150.77	-	150.77
Balance as at 31 March 2019	17,773.53	1,10,445.20	13,776.09	1,41,994.82
Accumulated depreciation				
At 1 April 2017	-	9,990.54	6,771.58	16,762.12
Charge for the year	-	1,815.13	1,368.17	3,183.30
Balance as at 31 March 2018	-	11,805.67	8,139.75	19,945.42
Charge for the year	-	1,848.68	1,368.17	3,216.85
Balance as at 31 March 2019	-	13,654.35	9,507.92	23,162.27
Net block as at 31 March 2018	17,773.53	98,488.76	5,636.34	1,21,898.63
Net block as at 31 March 2019	17,773.53	96,790.85	4,268.17	1,18,832.55

(i) Investment property pledged as security

Investment property has been pledged as security by the Company for borrowings (refer note 21).

(ii) Contractual obligations

Refer to note 39 for disclosure of contractual commitments for the acquisition of investment property.

(iii) Amounts recognised in Standalone Statement of Profit and Loss for investment property

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Rental income	34,322.56	30,373.55
Direct operating expenses generating rental income (including repair and maintenance)	(13,893.01)	(12,765.17)
Profit from leasing of investment properties before depreciation and indirect expenses	20,429.55	17,608.38
Less: Depreciation	(3,216.85)	(3,183.30)
Profit from leasing of investment properties before indirect expenses	17,212.70	14,425.08

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) Leasing arrangements

Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 41 for details on future minimum lease rentals.

(v) Fair value

	(₹ in lakhs)	
Fair value	31 March 2019	31 March 2018
Investment properties	4,07,500.00	3,82,750.00

The Company obtains valuation report for its investment property from an independent valuer atleast annually and fair value measurement has been categorized as level 3. The valuations are based on income approach (i.e. discounted cash flow technique as well as capitalized income projections). For all investment properties disclosed at fair value, the current use is considered as the highest and the best value.

(vi) Sensitivity analysis

The table below shows the effect of a 5% change in the value of investment property.

	(₹ in lakhs)	
Effect of change in value of investment property (%)	31 March 2019	31 March 2018
5% increase	20,375.00	19,137.50
5% decrease	(20,375.00)	(19,137.50)

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8 Other intangible assets	(₹ in lakhs)	
	Softwares	Total
Gross block		
At 1 April 2017	50.80	50.80
Additions	-	-
Balance as at 31 March 2018	50.80	50.80
Additions	-	-
Balance as at 31 March 2019	50.80	50.80
Accumulated amortisation		
At 1 April 2017	32.56	32.56
Charge for the year	8.56	8.56
Balance as at 31 March 2018	41.12	41.12
Charge for the year	5.07	5.07
Balance as at 31 March 2019	46.19	46.19
Net block as at 31 March 2018	9.68	9.68
Net block as at 31 March 2019	4.61	4.61

8.1 Depreciation and amortization expense	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
Depreciation on property, plant and equipment	715.72	722.36
Depreciation on investment properties	3,216.85	3,183.30
Amortisation on intangible assets	5.07	8.56
Less : Capitalised to inventory#	(612.99)	(649.04)
	3,324.65	3,265.18

#Depreciation for the year of ₹ 612.99 lakhs (31 March 2018: ₹ 649.04 lakhs) has been inventorized as a part of real estate properties under development.

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	31 March 2019 Number/units	31 March 2018 Number/units	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 9				
A Investments - non-current*				
(i) Investment in equity shares				
Subsidiaries - unquoted**				
Indiabulls Realty Developers Limited	50,000	50,000	0.49	0.49
(ii) Investment in preference shares				
Others - unquoted				
Indiabulls Constructions Limited#	42,50,00,000	42,50,00,000	42,075.00	42,500.00
			42,075.49	42,500.49
Aggregate book value of unquoted investments			42,075.49	42,500.49

*Face value of ₹ 10 each unless otherwise stated.

**All the investment in subsidiary are measured at cost as per Ind AS 27 'Separate Financial Statements'

#These are investments in optionally convertible redeemable preference shares (convertible at the option of the issuer) and are measured at fair value through other comprehensive income. Refer note 36.

B Investments - current				
Investment in mutual funds (quoted)				
Indiabulls Mutual Fund	87,559.00	2,35,803.26	1,597.50	4,004.53
Aditya Birla Mutual Fund	-	1,81,838.40	-	507.90
JM Financial Mutual Fund	-	-	-	-
			1,597.50	4,512.43
Aggregate book value and market value of quoted investments			1,597.50	4,512.43

Note - 10

Loans - non current*

(Unsecured, considered good)

Security deposits			84.56	86.95
Inter-corporate loans to related parties (refer note 38)			-	3.06
			84.56	90.01

* The Company does not have any loans which are either credit impaired or where there is significant increase in credit.

Note - 11

A Other financial assets - non-current

Finance lease receivable (refer note 41)*			80.49	133.09
Bank deposits with maturity of more than 12 months**			60.87	60.87
			141.36	193.96

* The Company has entered into finance lease with parties for a period of 5 years. The rate of interest charged on the lease since the inception date is 12% p.a. The Company recognises the finance income over the period of finance lease.

** Bank deposits of ₹ 60.87 lakhs (31 March 2018: ₹ 60.87 lakhs) have been pledged with banks against guarantees overdraft facilities and loan given by banks.

B Other financial assets - current

Finance lease receivable (refer note 41)*			52.61	46.69
Recoverable from others			34.34	17.52
			86.95	64.21

* The Company has entered into finance lease with parties for a period of 5 years. The rate of interest charged on the lease since the inception date is 12% p.a. The Company recognises the finance income over the period of finance lease.

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
Note - 12		
Deferred tax assets (net)		
Deferred tax asset arising on account of:		
Employee benefits	-	64.73
Expected credit losses on trade receivables	91.13	105.87
Unabsorbed business losses	94.30	571.32
Reversal of revenue and related costs as per Ind AS 115 (refer note 46)	2,576.81	2,560.33
Fair valuation of investments through other comprehensive income	91.58	-
Deferred tax liabilities arising on account of:		
Property, plant and equipment, investment property and intangible assets- depreciation and amortisation	(185.43)	(741.92)
Minimum alternate tax credit entitlement	2,342.69	2,342.69
	5,011.08	4,903.02

- (i) The Company has decided to restrict recognition of deferred tax asset on brought forward losses to the extent there is convincing evidence which demonstrates probability of realization of deferred tax asset in the near future. The Company has balance unabsorbed business losses of ₹ 16,792.65 lakhs and unabsorbed depreciation of ₹ 945.32 lakhs on which deferred tax asset is not created as a matter of prudence.

(ii) Caption wise movement in deferred tax assets as follows:

Particulars	31 March 2018 (Restated)**	Recognised in other comprehensive income	Recognised in profit and loss	Minimum alternate tax credit utilised	31 March 2019
Assets					
Employee benefits	64.73	-	(64.73)	-	-
Expected credit losses on trade receivables	105.87	-	(14.74)	-	91.13
Unabsorbed business losses	571.32	-	(477.02)	-	94.30
Reversal of revenue and related costs as per Ind AS 115 (refer note 46)	2,560.33	-	16.48	-	2,576.81
Fair valuation of investments through other comprehensive income	-	91.58	-	-	91.58
Liabilities					
Property, plant and equipment, investment property and intangible assets- Depreciation and amortisation	(741.92)	-	556.49	-	(185.43)
Minimum alternate tax credit entitlement	2,342.69	-	-	-	2,342.69
Total	4,903.02	91.58	16.48	-	5,011.08

Particulars	1 April 2017 (Restated)**	Recognised in other comprehensive income	Recognised in profit and loss	Minimum alternate tax credit utilised	31 March 2018 (Restated)**
Assets					
Employee benefits	47.11	(0.77)	18.39	-	64.73
Expected credit losses on trade receivables	121.54	-	(15.67)	-	105.87
Unabsorbed business losses	834.70	-	(263.38)	-	571.32
Reversal of revenue and subvention interest as per Ind AS 115 (refer note 46)	679.83	-	1,880.50	-	2,560.33
Liabilities					
Property, plant and equipment, investment property and intangible assets- Depreciation and amortisation	(1,002.58)	-	260.66	-	(741.92)
Minimum alternate tax credit entitlement	2,690.66	-	-	(347.98)	2,342.69
Total	3,371.27	(0.77)	1,880.50	(347.98)	4,903.02

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

The Company had MAT credit entitlement amounting to ₹ 2,342.69 lakhs and ₹ 2,342.69 lakhs as at 31 March 2019 and 31 March 2018 respectively. Such tax credits have been recognised on the basis that recovery is probable in the foreseeable future.

		31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Pertaining to financial year ending	Expiry date		
31 March 2015	31 March 2030	1,209.53	1,209.53
31 March 2016	31 March 2031	1,133.16	1,133.16
		2,342.69	2,342.69
Note - 13			
Non-current tax assets (net)			
Advance income tax, including tax deducted at source (net of provisions)		8,177.89	5,271.10
		8,177.89	5,271.10
Note - 14			
A Other non-current assets			
Rent equalisation reserve		1,102.19	1,316.53
Capital advance		-	5.65
		1,102.19	1,322.18
B Other current assets			
Advance to employees		1.02	3.38
Mobilization advances		-	31.93
Advance to suppliers/service providers		90,790.68	1,02,247.18
Prepaid expenses		231.99	78.84
Balances with statutory authorities		1,909.94	2,882.56
Rent equalisation reserve		855.30	858.80
		93,788.93	1,06,102.69
		31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
Note - 15			
Inventories			
A Real estate properties under development (at cost)			
Cost of properties under development		3,59,331.02	3,30,377.33
Less: Provision for expected loss		(13,882.99)	-
Less: Transferred to developed properties		(85,459.64)	(85,270.83)
		2,59,988.39	2,45,106.50
B Real estate properties - developed (at cost)			
Cost of developed properties		85,459.64	85,270.83
Less: Cost of revenue recognized till date		(56,312.65)	(47,397.37)
		29,146.99	37,873.46
		2,89,135.38	2,82,979.96

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

31 March 2019

31 March 2018

	(₹ in lakhs)	(₹ in lakhs) (Restated)**
Note - 16		
Trade receivables*		
Trade receivables - unsecured, considered good	3,126.99	3,942.53
Trade receivables which have significant increase in credit risk	260.46	210.46
	3,387.45	4,153.00
Less : Expected credit losses on trade receivables	(260.46)	(210.46)
	3,126.99	3,942.53
* There are no trade receivables which are credit impaired.		
** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.		
	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
Note - 17		
Cash and cash equivalents		
Cash on hand	0.25	9.06
Balances with banks		
In current accounts	608.29	454.02
Bank deposits with original maturity upto three months (refer note 18.1)	2,210.16	2,138.25
	2,818.70	2,601.34
Note - 18		
Other bank balances		
Bank deposits - with maturity of more than three months and upto twelve months (refer note 18.1)	726.29	5,494.77
	726.29	5,494.77

Note - 18.1

Bank deposits of ₹ 2,210.16 lakhs (31 March 2018: ₹ 6,478.00 lakhs) have been held as margin money / security against borrowings. Bank deposits of ₹ 726.69 lakhs (31 March 2018: ₹ 948.44 lakhs) have been pledged with a bank to secure a non-fund based credit facility.

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Note - 19		31 March 2019		31 March 2018	
A Equity share capital		(₹ in lakhs)		(₹ in lakhs)	
i Authorised	Number	Amount	Number	Amount	
Equity share capital of face value of ₹ 10 each	54,00,000	540.00	54,00,000	540.00	
		<u>540.00</u>		<u>540.00</u>	
ii Issued, subscribed and fully paid up					
Equity share capital of face value of ₹ 10 each	32,51,362	325.14	32,51,362	325.14	
		<u>325.14</u>		<u>325.14</u>	
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year					
Equity shares					
Balance at the beginning of the year	32,51,362	325.14	32,21,601	322.16	
Add: Issued during the year	-	-	29,761	2.98	
Balance at the end of the year	<u>32,51,362</u>	<u>325.14</u>	<u>32,51,362</u>	<u>325.14</u>	

iv Rights, preferences and restrictions attached to equity and preference shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

v Details of shareholder holding more than 5% share capital

Name of the equity shareholder	31 March 2019		31 March 2018	
	% of holding	Number of shares	% of holding	Number of shares
FIM Holdco 1 Limited	41.63%	13,53,464	41.63%	13,53,464
M Holdco 2 Limited and its nominees	38.26%	12,43,855	38.26%	12,43,855
Ariston Investments Sub A Limited	8.37%	2,72,217	8.37%	2,72,217
Navilith Holdings Limited	11.74%	3,81,826	11.74%	3,81,826
	<u>100.00%</u>	<u>32,51,362</u>	<u>100.00%</u>	<u>32,51,362</u>

vi Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

- Of the above, 9,002 equity shares of ₹ 10 each fully paid up have been issued on conversion of 54,012,939, 14% redeemable/convertible, cumulative preference shares of ₹ 10 each full paid in earlier years.
- Of the above, 397,676 equity shares of ₹ 10 each fully paid up have been issued on conversion of 4,784,804 compulsorily convertible debentures of ₹ 1,000 each fully paid up in earlier years.
- Of the above, 15,850 equity shares were bought back by the Company of ₹ 10 each fully paid up in earlier years.
- During the year ended 31 March 2018, the Company had issued 29,761 equity shares of ₹ 10 each fully paid up on conversion of 505,953 compulsorily convertible debentures of ₹ 1,000 each fully paid up.

B Preference share capital		31 March 2019		31-Mar-18	
		(₹ in lakhs)		(₹ in lakhs)	
i Authorised	Number	Amount	Number	Amount	
Preference share capital of face value of ₹ 10 each#	5,26,00,000	5,260.00	5,26,00,000	5,260.00	
		<u>5,260.00</u>		<u>5,260.00</u>	

Since the Company has not issued preference shares, hence, other disclosures are not presented.

Note - 20

A Instrument entirely equity in nature

Opening balance	-	5,059.53
Conversion of compulsory convertible debentures (CCDs)	-	(5,059.53)
Closing balance	<u>-</u>	<u>-</u>

i Reconciliation of number of compulsory convertible debentures outstanding at the beginning and at the end of the year

	31 March 2019		31 March 2018	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Compulsory convertible debentures				
Balance at the beginning of the year	-	-	5,05,953	5,059.53
Less: Converted during the year	-	-	(5,05,953)	(5,059.53)
Balance at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

ii Rights, preferences and restrictions attached to compulsory convertible debentures

The holders of compulsory convertible debentures are entitled to receive 1 equity share of ₹ 17,000 each carrying value ₹ 10 per share. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets.

iii There were no bonus CCDs issued or CCDs issued for consideration other than cash and no CCDs bought back during the period of five years immediately preceding the reporting date.

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	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
B Other equity		
Reserve and surplus		
Capital redemption reserve	1.59	1.59
Securities premium account	88,418.47	88,418.47
Debenture redemption reserve*	1,500.00	1,500.00
Retained earning	2,526.05	13,741.46
Other comprehensive income		
Fair valuation of investment	(333.42)	-
	92,112.69	1,03,661.52

* The Company has created Debenture Redemption Reserve to the extent of available profits, as required under the provisions of Companies Act, 2013

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

Nature and purpose of other reserves

Capital redemption reserve

The same has been created in accordance with provisions of Section 69 of the Companies Act 2013 for the buy back of 15,850 equity shares from the shareholders in previous years.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act 2013.

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Retained earning

Retained earnings are created from the profit/loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc

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	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 21		
A Borrowings (non-current)		
Secured loans:		
Debentures		
Non-convertible debentures	-	13,000.00
Less: current maturities of long-term borrowings	-	(6,000.00)
Term loans		
From banks	2,51,998.11	2,78,183.48
Less: current maturities of long-term borrowings	(4,620.32)	(17,077.86)
	2,47,377.79	2,68,105.62

i Repayment terms (including current maturities) and security details for non-convertible debentures:

On 26 September 2017, the Company had issued and allotted 2,000 non-convertible debenture, rated, redeemable, taxable, listed and tradable debentures ("NCDs") of face value of ₹ 1,000,000 each, aggregating to ₹ 20,000.00 lakhs. These NCDs were issued for a tenor of 3 years (with put option after 16 months) with scheduled quarterly repayment or when the put or call is exercised. During the year, the Company has redeemed 1,300 debentures (31 March 2018: 700 debentures) amounting to ₹ 13,000 lakhs (31 March 2018: ₹ 7,000 lakhs). These debentures were secured against registered mortgage over parcel of land bearing plot no.882 admeasuring 5,888.14 square meters held by the Company situated at Balaseth Murudkar Marg, Elphinstone Road, Mumbai (Jupiter Textile Mills) together with building and structures, fixtures, etc. in proportion to the unsold area of Sky project; charge on receivables, both present and future and escrow accounts of the project as being created under the deed of hypothecation; irrevocable and unconditional corporate guarantee of Indiabulls Real Estate Limited. Carrying rate of interest on these non-convertible debentures was 9.04% p.a. (31 March 2018 : 9.04% p.a.)

ii Repayment terms (including current maturities) and security details for term loan from banks:

Term loan of ₹ 251,998.11 lakhs (31 March 2018: ₹ 243,630.75 lakhs) is secured by first pari passu charge of registered mortgage on proportionate share of land parcel bearing plot no.841 underneath the project One Indiabulls Centre project (excluding one unit sold to British embassy, government parking and Sky Forest) and building constructed thereon, with unsold leasable area of approx. 16.38 lakhs sq. ft.; first pari passu charge on entire current assets and movable fixed assets, both present and future, of the property; first pari passu charge by way of hypothecation over the rights, titles, interest, benefits, claims and demands of the project from all contracts, agreements, clearances, loss protection covers, any letter of credit, guarantee, performance bond, insurance contracts, policies, insurance proceeds pertaining to the project; over debt service reserve account; over the designated account maintained with the designated bank and repayable in 156-180 monthly structured installments from the date of first disbursement.

Loan to the extent of ₹ Nil (31 March 2018: ₹ 34,552.73 lakhs) is further secured by first pari passu charge of registered mortgage on proportionate share of land bearing plot no.841 (with respect to unsold area only) underneath the project Sky Forest ('the project') excluding government parking and One Indiabulls Centre; first pari passu charge on all the present and future movable fixed assets and immovable properties of the project, in proportion to the unsold area of 6.84 lakhs sq. ft.; first pari passu charge by way of hypothecation of all the current assets of the project, of all the revenues, receivables, escrow account, reserve account and other reserves of the project wherever maintained by the borrower, present and future and charge in favour of lenders/ security trustee, all the rights, titles, benefits and interest of the project from all contracts, insurances, licenses for all the assets of the project and all the project documents which the borrower is party to and repayable in 13 quarterly fixed installments from the date of first disbursement. The outstanding amount of loan was repaid during the current year.

Carrying rate of interest on the above term loans is 8.25% - 9.00 % p.a. (31 March 2018: 8.25% - 8.90%) p.a. respectively.

B Borrowings (current)

Unsecured

Commercial paper*

Inter corporate borrowing (refer note 38)**

13,000.00	-
31,344.51	-
44,344.51	-

*During the year 31 March 2019, the Company has issued commercial paper of ₹ 13,000.00 lakhs carrying rate of interest of 9.75% p.a..

**During the year, Company has received Inter corporate deposits (ICDs) from various related parties, repayable on demand. The carrying rate of interest on the above ICDs are in range of 9.00% - 12.00% p.a.

Note - 22

Trade payables - current

A Due to micro and small enterprises*

0.63	-
0.63	-

***Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2019 and 31 March 2018:**

	Particulars	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.63	Nil
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

B Total outstanding dues of creditors other than micro enterprises and small enterprises

3,990.19	2,979.16
3,990.19	2,979.16

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
Note - 23		
A Other financial liabilities - non current		
Security deposits received	8,743.84	10,731.77
	8,743.84	10,731.77
B Other financial liabilities - current		
Current maturities of long-term borrowings (refer note 21)	4,620.32	23,077.86
Interest accrued on borrowings	1,458.65	19.32
Advance refundable to customer	-	81.81
Security deposits received	3,866.11	678.35
	9,945.08	23,857.34
Note - 24		
A Provisions - non-current		
Provision for employee benefits (refer note 42):		
Gratuity	-	97.11
Compensated absences	-	85.64
	-	182.75
B Provisions - current		
Provision for employee benefits (refer note 42):		
Gratuity	-	0.47
Compensated absences	-	3.81
	-	4.28
Note - 25		
A Other non-current liabilities		
Deferred revenue	1,175.54	1,416.35
	1,175.54	1,416.35
	31 March 2019	31 March 2018
	(₹ in lakhs)	(₹ in lakhs)
B Other current liabilities		(Restated)**
Deferred revenue	874.58	946.97
Payable to statutory authorities	1,274.58	1,249.00
Advance from commercial customers	166.57	62.08
Advance from residential customers	1,59,261.31	1,71,383.17
Billed Customers but revenue not booked	-	-
	1,61,577.04	1,73,641.22
** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.		
Note - 26		
Current tax liabilities (net)		
Provision for income tax, net of tax deducted at source	102.82	670.75
	102.82	670.75

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Indiabulls Properties Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
Note - 27		
Revenue from operations		
Operating revenue		
Revenue from real estate properties	8,938.96	15,047.91
Rental income	30,811.45	27,018.11
Income from maintenance services	3,223.78	3,047.45
Income from car parking	287.33	307.99
	43,261.52	45,421.46
Other operating income		
Service receipts	104.11	-
	43,365.63	45,421.46

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

Note - 28
Other Income

Interest income on		
Bank deposits	189.11	205.06
Others	94.17	54.39
Advisory service income	-	31.49
Excess provision written back	24.46	239.02
Foreign exchange - gain (net)	-	16.60
Profit on sale of property, plant and equipment (net)	-	2.48
Miscellaneous income	10.30	0.18
	318.04	549.22

Note - 29
Cost of Revenue
Commercial

Maintenance services	3,597.35	3,483.60
	3,597.35	3,483.60

Residential*

Cost incurred during the year	28,953.69	16,002.40
	28,953.69	16,002.40
	32,551.04	19,486.00

Decrease/(increase) in real estate properties

Opening stock	2,82,979.97	2,79,774.39
Closing stock	(2,89,135.38)	(2,82,979.97)
	(6,155.41)	(3,205.57)

*As the total estimated cost exceeds the total expected revenues from the contracts, the Company has created provision for margin loss amounting to ₹ 13,882.99 lakhs (31 March 2018: Nil)

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

Note - 30
Employee benefits expense*

Salaries and wages	3.34	1,987.78
Contribution to provident fund and other funds	0.01	0.41
Staff welfare expenses	0.22	3.06
	3.57	1,991.25

* All the employees of the Company except one were transferred to other group companies.

Note - 31
Finance costs

Interest expenses	8,556.02	7,325.32
Interest expense on taxation	76.67	306.41
Other borrowing costs	272.98	288.51
	8,905.67	7,920.24

31.1 During the year ended 31 March 2019, the Company has inventorized, borrowing cost of ₹ 17,840.05 lakhs (31 March 2018: ₹ 16,214.65 lakhs) to cost of real estate properties under development.

Indiabulls Properties Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
Note - 32		
A Impairment losses		
Expected credit losses on trade receivables	50.00	56.32
	50.00	56.32

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
B Other expenses		
Customer incentive and other charges	14,251.91	138.39
Repairs and maintenance - Others	4.62	487.82
Rates and taxes	998.61	1,069.12
Rent expenses	-	4.97
Legal and professional charges	531.95	1,056.92
Auditor's remuneration (refer note (i) below)	26.80	20.00
Advertisement expenses	52.13	1,169.99
Insurance expenses	14.75	74.51
Power and fuel expenses	-	220.37
Printing and stationery	1.03	2.10
Brokerage and marketing expenses	189.71	449.68
Bank charges	8.83	35.98
Communication expenses	0.55	9.31
Corporate social responsibility expenses (refer note (ii) below)	117.74	55.10
Traveling and conveyance expenses	11.38	22.05
Software expenses	-	0.15
Balances written off	-	173.79
Miscellaneous expenses	26.03	176.79
	16,236.04	5,167.04

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs)
(i) Payment to Auditors		
Audit fees*	20.00	20.00
Other services*	6.25	-
Reimbursement of expenses*	0.55	-
	26.80	20.00

*Excluding taxes

(ii) Corporate social responsibility expenses

Gross amount required to be spent by the Company during the year is ₹ 117.74 lakhs (31 March 2018: ₹ 55.10 lakhs).

Particulars		In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	31 March 2019	-	-	-
	31 March 2018	-	-	-
On purposes other than (i) above	31 March 2019	117.74	-	117.74
	31 March 2018	55.10	-	55.10

(Figures in italics are in respect of previous year)

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	31 March 2019 (₹ in lakhs)	31 March 2018 (₹ in lakhs) (Restated)**
Note - 33		
Tax Expenses		
Current tax (refer note 44)	-	4,098.04
Deferred tax credit	(16.48)	(1,880.50)
Income tax expense reported in the Standalone Statement of Profit and Loss	(16.48)	2,217.54

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.608% and the reported tax expense in the standalone statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax from continuing operations	(11,231.89)	11,290.22
Accounting profit before income tax	(11,231.89)	11,290.22

At India's statutory income tax rate of 34.944% (31 March 2018: 34.608%)

(3,924.87) 3,907.32

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of benefits of assets assessed under house property	3,214.12	1,968.72
Tax impact of expenses which will never be allowed	(907.67)	(783.27)
Tax impact of unrecognised deferred tax on unabsorbed losses and unabsorbed depreciation	(6,198.36)	-
Tax impact of setting off unabsorbed depreciation	-	868.48
Tax impact of other items (refer note 46)	(16.48)	(364.15)
Income tax expense	(16.48)	2,217.54

** Refer note 46 for details about restatement for changes in accounting policies consequent to adoption of Ind AS 115.

Note - 34

Earnings per share (EPS)

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2019	31 March 2018
(Loss)/profit attributable to equity holders (in ₹ lakhs)	(11,215.41)	9,072.68
Weighted average number of equity shares for basic and diluted earning per share	32,51,362	32,22,906
Earnings per equity share		
Basic (₹)	(344.94)	281.51
Diluted (₹)	(344.94)	281.51

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Indiabulls Properties Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Note - 35

Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets and financial liabilities measured at fair value – recurring fair value measurements

(₹ in lakhs)

31 March 2019	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Investments				
Mutual funds	1,597.50	-	-	1,597.50
Financial instruments at FVOCI				
Optionally convertible redeemable preference shares	-	-	42,075.00	42,075.00
Total financial assets	1,597.50	-	42,075.00	43,672.50

Financial assets and financial liabilities measured at fair value – recurring fair value measurements

(₹ in lakhs)

31 March 2018	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Investments				
Mutual funds	4,512.43	-	-	4,512.43
Financial instruments at FVOCI				
Optionally convertible redeemable preference shares	-	-	42,500.00	42,500.00
Total financial assets	4,512.43	-	42,500.00	47,012.43

(iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

a) Use of net asset value for mutual funds on the basis of the statement received from investee party.

b) For optionally convertible preference, the Company has used adjusted net asset value method which factors fair value of assets and liabilities of investee entity with an adjustment of factors such as lack of liquidity, time elapsed from date of investment etc.

(iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Particulars	Fair value (₹ in lakhs)		Significant unobservable inputs	Data inputs		Sensitivity analysis
	31 March 2019	31 March 2018		31 March 2019	31 March 2018	
Optionally convertible preference shares	42075.00	42500.00	Discount rate	9.50%	9.50%	Change of +/-0.01% in discount rate has following impacts - 31 March 2019 +0.01% loss of ₹ 4.21 lakhs -0.01% gain of ₹ 4.21 lakhs 31 March 2018 +0.01% loss of ₹ 4.25 lakhs -0.01% gain of ₹ 4.25 lakhs

(v) The following table presents the changes in level 3 items for the year ended 31 March 2019 and 31 March 2018:

Particulars	Optionally convertible preference share
As at 1 April 2017	-
Gain/(Loss) recognised in other comprehensive income	-
Further investments made	42,500.00
As at 31 March 2018	42,500.00
Gain/(Loss) recognised in other comprehensive income	(425.00)
Further investments made	-
As at 31 March 2019	42,075.00

(vi) Fair value of instruments measured at amortised cost:

Particulars	Level	31 March 2019		31 March 2018	
		Carrying value	Fair Value	Carrying value	Fair Value
Financial assets					
Investments	Level 3	0.49	0.49	0.49	0.49
Loans	Level 3	84.56	84.56	90.01	90.01
Other financial assets	Level 3	141.36	141.36	193.96	193.96
Total financial assets		226.41	226.41	284.46	284.46
Financial liabilities					
Borrowings*	Level 3	2,97,801.27	2,97,801.27	2,91,202.80	2,91,202.80
Other financial liabilities	Level 3	8,743.84	8,743.84	10,731.77	10,731.77
Total financial liabilities		3,06,545.11	3,06,545.11	3,01,934.57	3,01,934.57

The above disclosures are presented for non-current financial assets and non-current financial liabilities except borrowings which include current maturities and accrued interest. Carrying value of current financial assets and current financial liabilities (cash and cash equivalents, trade receivables, trade payables and other current financial liabilities) represents the best estimate of fair value.

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Note - 36
Financial risk management

i) Financial instruments by category

	31 March 2019			31 March 2018		
	FVTPL**	FVOCI	Amortised cost	FVTPL**	FVOCI	Amortised cost
Financial assets						
Investments						
Equity instruments*	-	-	0.49	-	-	0.49
Preference shares	-	42,075.00	-	-	42,500.00	-
Mutual funds	1,597.50	-	-	4,512.43	-	-
Trade receivables	-	-	3,126.99	-	-	3,942.53
Loans	-	-	-	-	-	3.06
Cash and cash equivalents	-	-	2,818.70	-	-	2,601.34
Other bank balances	-	-	726.29	-	-	5,494.77
Security deposits	-	-	84.56	-	-	86.95
Other financial assets	-	-	228.31	-	-	258.17
Total financial assets	1,597.50	42,075.00	6,985.34	4,512.43	42,500.00	12,387.31

(₹ in lakhs)

	31 March 2019			31 March 2018		
	FVTPL**	FVOCI	Amortised cost	FVTPL**	FVOCI	Amortised cost
Financial liabilities						
Borrowings (including interest accrued)	-	-	2,97,801.27	-	-	2,91,202.80
Trade payables	-	-	0.63	-	-	-
Security deposits	-	-	12,609.95	-	-	11,410.12
Other financial liabilities	-	-	-	-	-	81.81
Total financial liabilities	-	-	3,10,411.85	-	-	3,02,694.73

*Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements'.

** These financial assets are mandatorily measured at fair value.

ii) Financial instruments measured at amortised cost

For amortised cost instruments, carrying value represents the best estimate of fair value.

iii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss*
A. Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, investments, loans and other financial assets	12 month expected credit loss or life time expected credit loss
B. Moderate credit risk	Loans and other financial assets	12 month expected credit loss
C. High credit risk	Trade receivables	Life time expected credit loss or fully provided for

* Life time expected credit loss is provided for trade receivables

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in standalone statement of profit and loss.

Assets under credit risk – (₹ in lakhs)

Credit rating	Particulars	31 March 2019	31 March 2018
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, investments, loans and other financial assets	50,396.89	59,188.78
C: High credit risk	Trade receivables	260.46	210.46

Concentration of financial assets

The Company's principal business activities are real estate projects and rental income. Loans and other financial assets majorly represents money advanced for business purposes. The Company's exposure to credit risk for trade receivables is presented below.

Particulars	31 March 2019	31 March 2018
Real estate projects receivables	-	-
Rental receivables	3,126.99	3,942.53

b) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2019				(₹ in lakhs)
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision	
Investments	0.49	-	0.49	
Trade receivables	3,387.45	260.46	3,126.99	
Cash and cash equivalents	2,818.70	-	2,818.70	
Other bank balances	726.29	-	726.29	
Security deposit	84.56	-	84.56	
Other financial assets	228.32	-	228.32	

As at 31 March 2018				(₹ in lakhs)
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision	
Investments	0.49	-	0.49	
Trade receivables	4,153.00	210.46	3,942.53	
Cash and cash equivalents	2,601.34	-	2,601.34	
Other bank balances	5,494.77	-	5,494.77	
Loans	3.07	-	3.07	
Security deposit	86.95	-	86.95	
Other financial assets	258.16	-	258.16	

Expected credit loss for trade receivables under simplified approach

The Company considers provision for lifetime expected credit loss. Given the nature of business operations, the receivables from rental business has low credit risk as the Company holds security deposits against the premises given on rentals. Further, historical trends indicate some shortfall between such deposits held by the Company and amounts due from customers. Hence, with the historical loss experience and forward looking information, the Company has provided expected credit loss in relation to receivables from rental business.

Reconciliation of loss provision – trade receivables		(₹ in lakhs)
Reconciliation of loss allowance		Trade receivables
Loss allowance as on 1 April 2017		255.77
Impairment loss recognised/reversed during the year		173.79
Written off		(219.10)
Loss allowance on 31 March 2018		210.46
Written off		50.00
Loss allowance on 31 March 2019		260.46

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2019					(₹ in lakhs)
	Less than 1 year	1-5 years	More than 5 years	Total	
Non-derivatives					
Borrowings (including interest accrued)	50,711.16	37,501.00	2,11,022.41	2,99,234.57	
Trade payable	3,990.82	-	-	3,990.82	
Security deposits	5,004.20	9,739.50	11.52	14,755.22	
Other financial liabilities	-	-	-	-	
Total	59,706.18	47,240.50	2,11,033.93	3,17,980.61	

31 March 2018					(₹ in lakhs)
	Less than 1 year	1-5 years	More than 5 years	Total	
Non-derivatives					
Borrowings (including interest accrued)	23,302.60	56,034.67	2,11,202.22	2,90,539.49	
Trade payable	2,979.16	-	-	2,979.16	
Security deposits	714.16	13,395.98	84.15	14,194.29	
Other financial liabilities	81.81	-	-	81.81	
Total	27,077.73	69,430.65	2,11,286.37	3,07,794.75	

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(C) Market risk

a) Interest rate risk

Liabilities

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Variable rate borrowing	2,51,998.11	2,78,183.48
Fixed rate borrowing	44,344.51	13,000.00
Total borrowings	2,96,342.62	2,91,183.48

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Interest rates – increase by 100 basis points (31 March 2018: 100 basis points)	2,519.98	2,781.83
Interest rates – decrease by 100 basis points (31 March 2018: 100 basis points)	(2,519.98)	(2,781.83)

Assets

The company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Foreign exchange risk

The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. The Company does not hedge its foreign

Foreign currency risk exposure:

(₹ in lakhs)

Particulars	Currency	31 March 2019	31 March 2018
Trade payables	EUR	-	(14.21)
Trade payables	USD	-	(6.81)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in lakhs)

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Trade payables	EUR	-	(0.14)	-	0.14
Trade payables	USD	-	(0.07)	-	0.07

c) Price risk

The Company exposure price arises from investments held and classified in the balance sheet either at fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods -

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Price sensitivity		
Optionally convertible preference shares		
Price increase by (2%) - FVTPL instrument	841.50	850.00
Price decrease by (2%) - FVTPL instrument	(841.50)	(850.00)
Mutual funds		
Price increase by (2%) - FVTPL instrument	31.95	90.25
Price decrease by (2%) - FVTPL instrument	(31.95)	(90.25)

iv) Capital Management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Net debt*	2,94,982.57	2,88,601.46
Total equity	92,437.83	1,03,986.66
Net debt to equity ratio	3.19	2.78

*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents

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Note – 37

Related party transactions	
Ultimate holding company	Indiabulls Real Estate Limited (upto 28 March 2018)
Co-venturers	FIM Holdeo 1 Limited (with effect from 29 March 2018)
	M Holdeo 2 Limited (with effect from 29 March 2018)
	Ariston Investments Sub A Limited (with effect from 29 March 2018)
	Navilith Holdings Limited (with effect from 29 March 2018)
Entities exercising joint control	Indiabulls Real Estate Limited (with effect from 29 March 2018)
	BREP Asia SG L&T Holding(NQ) Pte. Ltd. (with effect from 29 March 2018)
	BREP Asia SBS L&T Holding (NQ) Ltd. (with effect from 29 March 2018)
	BREP VII SBS L&T Holding (NQ) Ltd. (with effect from 29 March 2018)
Holding company	Indiabulls Properties Investment Trust ("IPTI") (upto 28 March 2018)
Subsidiary	Indiabulls Realty Developers Limited (with effect from 29 March 2018)
Fellow subsidiaries	Indiabulls Real Estate Company Private Limited
	Navilith Holdings Limited (upto 28 March 2018)
	Indiabulls Property Management Trustee Pte. Ltd (upto 28 March 2018)
	Indiabulls Construction Limited (upto 28 March 2018)
	Indiabulls Infraestate Limited (upto 28 March 2018)
	India Land Properties Limited (upto 28 March 2018)
Key managerial personnel of ultimate holding company	Vishal Damani (Joint Managing Director) (upto 28 March 2018)
	Gurbans Singh (Joint Managing Director) (upto 28 March 2018)

(i) Statement of transactions with related parties (₹ in lakhs)							
Nature of transactions	Ultimate holding company / Entities exercising joint control		Fellow subsidiaries		Subsidiary		Key managerial personnel of ultimate holding company
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19 2017-18
Issue/(conversion) of compulsory convertible debentures							
- Navilith Holdings Limited	-	-	-	(5,059.53)	-	-	- -
Investment in optionally convertible preference share							
- Indiabulls Construction Limited	-	-	-	42,500.00	-	-	- -
Marketing commission							
- Indiabulls Real Estate Limited	-	402.38	-	-	-	-	- -
Property management fees							
- Indiabulls Real Estate Limited	-	437.52	-	-	-	-	- -
- Indiabulls Realty Developers Limited	-	-	-	-	3,596.97	-	- -
Lease management fees							
- Indiabulls Real Estate Limited	-	218.76	-	-	-	-	- -
Interest expenses							
- Indiabulls Real Estate Limited	799.89	83.22	-	-	-	-	- -
- Indiabulls Real Estate Company Private Limited	-	-	1,840.02	-	-	-	- -
- India Land Properties Limited	-	-	-	409.61	-	-	- -
Electricity Recovery							
- Indiabulls Realty Developers Limited	-	-	-	-	162.07	-	- -
Advisory service income written off							
- Indiabulls Property Management Trustee Pte. Ltd	-	-	-	215.13	-	-	- -
Construction material, services, project management fees							
- Indiabulls Construction Limited	-	-	-	6,467.81	-	-	- -
Construction related payments							
- Indiabulls Construction Limited	-	-	-	31,840.11	-	-	- -
Advisory service income							
- Indiabulls Property Management Trustee Pte. Ltd	-	-	-	31.49	-	-	- -
Inter corporate deposit given / received back							
- Indiabulls Realty Developers Limited - given	-	-	-	-	-	0.41	- -
- Indiabulls Realty Developers Limited - received back	-	-	-	-	3.06	0.02	- -
- Indiabulls Real Estate Company Private Limited - given	-	-	-	16,505.00	-	-	- -
- Indiabulls Real Estate Company Private Limited - received back	-	-	-	30,060.00	-	-	- -
Inter corporate deposit taken / repaid							
- Indiabulls Real Estate Limited - taken	46,750.00	1,89,500.00	-	-	-	-	- -
- Indiabulls Real Estate Limited - repaid	42,405.49	1,89,500.00	-	-	-	-	- -
- Indiabulls Real Estate Company Private Limited - taken	-	-	27,000.00	-	-	-	- -
- Indiabulls Real Estate Company Private Limited - repaid	-	-	-	-	-	-	- -
- India Land Properties Limited - taken	-	-	-	17,800.00	-	-	- -
- India Land Properties Limited - repaid	-	-	-	17,800.00	-	-	- -
Key Managerial Personnel							
Short-term employee benefits							
- Vishal Damani	-	-	-	-	-	-	274.43
- Gurbans Singh	-	-	-	-	-	-	518.91
Post-employment benefits - gratuity							
- Vishal Damani	-	-	-	-	-	-	13.34
- Gurbans Singh	-	-	-	-	-	-	18.09
Post-employment benefits - compensated absences							
- Vishal Damani	-	-	-	-	-	-	12.04
- Gurbans Singh	-	-	-	-	-	-	37.70

(ii) Balance outstanding as at 31 March 2019

Particulars of balances in respect of related party transactions	Ultimate holding company / Entities exercising joint control		Fellow subsidiaries		Subsidiary	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Trade Receivable						
- Indiabulls Realty Developers Limited	-	-	-	-	11.87	-
Investment						
- Indiabulls Realty Developers Limited	-	-	-	-	0.49	0.49
Interest Payable						
- Indiabulls Real Estate Limited	-	-	-	-	-	-
- Indiabulls Real Estate Company Private Limited	-	-	-	-	-	-
Inter corporate deposit given						
- Indiabulls Realty Developers Limited	-	-	-	-	-	3.06
Inter corporate deposit taken						
- Indiabulls Real Estate Company Private Limited	-	-	27,000.00	-	-	-
- Indiabulls Real Estate Limited	4,344.51	-	-	-	-	-

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Note – 38

Contingent liabilities and commitments

Summary of contingent liabilities and commitments

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Under litigation		
Demand in excess of provisions (pending in appeals)		
Service tax (2009-10 to 2013-14)	2,536.00	2,536.00
Service tax (2009-10)	37.00	37.00
Capital and other commitments		
Capital contracts remaining to be executed	-	167.54

Note – 39

Operating leases – lessor

The Company has leased out various premises on operating leases and lease rent of ₹ xxxxxxx lakhs (31 March 2018: ₹ 27,018.11 lakhs) in respect of the same has been recognized as income in the standalone statement of profit and loss for the year ended 31 March 2019. The minimum lease rent receivables in respect of such operating leases are as under:

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Within one year	22,814.04	27,584.46
Later than one year but not later than five years	19,064.79	33,346.85
Later than five years	-	-
	41,878.84	60,931.31

Note – 40

Finance Lease

The Company has entered into furniture and fixture lease, which has remaining term of one to five years. Future minimum rentals expected to be received under the leases under the non-cancellable period of the lease is as follows:

Particulars	31 March 2019			31 March 2018		
	Future Minimum Lease Payment	Interest	Present value of Minimum Lease Payment	Future Minimum Lease Payment	Interest	Present value of Minimum Lease Payment
Within one year	52.61	14.13	62.59	46.69	20.05	62.59
Later than one year but not more than five years	80.49	8.31	81.85	133.09	22.44	135.23
Later than five years	-	-	-	-	-	-
Total	133.09	22.44	144.44	179.78	42.49	197.82

Unearned finance lease

(₹ in lakhs)		
Particulars	31 March 2019	31 March 2018
Gross Investment (Minimum lease payments)	241.77	250.00
PV of Minimum Lease payments	144.44	197.82
Unearned finance lease	97.34	52.18

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Note - 41
Employee benefits
The Company has made ₹ 900 (31 March 2018 : ₹ 41,225) contribution in respect of provident fund.

Note - 42
Assets pledged as security
The carrying amounts of assets pledged as security for current and non-current borrowings are:

	31 March 2019	31 March 2018
Current		
Financial assets		
First charge		
Trade receivables	3,126.99	3,942.53
Financial lease receivables	52.61	-
Floating charge		
Cash and cash equivalents	0.62	2,000.00
Other bank balances	-	5,494.77
Non-financial assets		
First charge		
Intangibles	-	2,62,970.06
Total current assets pledged as securities	3,180.22	2,94,417.26
Non-current		
First charge		
Investment properties	1,18,832.55	1,21,898.63
Fixed assets	5,546.41	-
Floating charge		
Other financial assets	80.85	60.87
Total non-current assets pledged as security	1,24,459.81	1,21,959.50
Total assets pledged as security	1,27,639.03	4,16,376.76

Note - 43
A search was conducted by the competent authority under section 132(1) of the Income Tax Act, 1961 (the 'Act') at premises of the Company in the previous year ended 31 March 2017. Pursuant to the search, the Assessing Officer has issued notice under relevant sections of the Act to the Company for some of the earlier financial years. Consequently, in order to avoid protracted tax litigation, the Company has filed application under Section 245C (1) of the Act before the Hon'ble Income Tax Settlement Commission (ITSC), on 03 October 2017 and accordingly deposited ₹ 56,431 lakhs as tax and ₹ 2,85,759 lakhs as interest towards the proposed settlement which has been provided for in the books of accounts. The said application has since been admitted by ITSC, vide its Order dated 10 October 2017 passed u/s 245D (1) of the Act and allowed to be proceeded with vide Order dated 4 December 2017 passed u/s 245D (2C) of the Act. The matter is now pending before the Hon'ble ITSC for final determination.

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Indiabulls Properties Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Note – 44

Segment reporting

(i) General information

An operating segment is a component of a group that engages in business activities on which it earns revenue and incurs expenses and for which separate financial information is available. The Company has two operating and reportable segments which are Companies strategic business units. These operating segments are monitored by group's Chief Financial decision maker to access performance and evaluate strategic decisions.

Real estate development

The Company has prime focus on construction and development of residential and commercial projects across Mumbai.

Rental

The Company has rental structure in Mumbai on which the Company has locked in rental for future years.

(ii) Segment information

Year Ended 31 March 2019			
(₹ in lakhs)			
Particulars	Real estate	Rental	Total of segments
Revenue			
External customers	9,043.07	34,322.56	43,365.63
Total revenue	9,043.07	34,322.56	43,365.63
Segment expenses	37,292.03	15,660.24	52,952.27
Segment profit	(28,248.96)	18,662.32	(9,586.64)
Segment assets	2,92,124.79	1,24,282.12	4,16,406.91
Segment liabilities	1,59,261.31	14,826.64	1,74,087.95

Year Ended 31 March 2018 (Restated)			
(₹ in lakhs)			
Particulars	Real estate	Rental	Total of segments
Revenue			
External customers	15,047.91	30,373.55	45,421.46
Total revenue	15,047.91	30,373.55	45,421.46
Segment expenses	22,251.36	9,580.59	31,831.95
Segment profit	(7,203.45)	20,792.96	13,589.52
Segment assets	2,86,684.18	1,28,275.11	4,14,959.29
Segment liabilities	1,71,464.98	13,835.53	1,85,300.51

Reconciliation to amount reflected in financial statements		
(₹ in lakhs)		
Reconciliation of profit	31 March 2019	31 March 2018
Segment profit	(9,586.64)	13,589.52
Unallocated income	318.04	549.22
Unallocated expense	(1,963.30)	(2,849.25)
Income-tax expense	16.48	(2,217.54)
Other Comprehensive Income/ (Expense)	-	-
Net profit after tax	(11,215.42)	9,071.95

Reconciliation of assets		
(₹ in lakhs)		
	31 March 2019	31 March 2018
Segment operating assets	4,16,406.91	4,14,959.29
Other unallocables assets	1,53,288.36	1,70,616.59
	5,69,695.27	5,85,575.88

Reconciliation of liabilities		
(₹ in lakhs)		
	31 March 2019	31 March 2018
Segment operating liabilities	1,74,087.95	1,85,300.51
Other unallocables liabilities	3,03,169.49	2,96,288.75
	4,77,257.44	4,81,589.25

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Indiabulls Properties Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note – 45

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(₹ in lakhs)

Particulars	Opening Balance	Cash Changes	Non Cash Adjustments	Closing Balance
Short term secured borrowings	-	-	-	-
Long term secured borrowings	2,91,183.48	(38,415.12)	(770.25)	2,51,998.11
Short term unsecured borrowings	-	44,344.51	-	44,344.51
Long term unsecured borrowings	-	-	-	-
Accrued Interest	19.32	1,439.33	-	1,458.65

Note – 46

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases was notified in xxxxx and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17.

The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

Ind AS 116, which is effective for annual periods beginning on or after 1 April 2019, requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

The management is currently under process of evaluating the impact on the financial statements, based preliminary evaluation, management believes as the Company is a lessor, the effects of applying Ind AS 116 on the financial statements will be immaterial.

Note – 47

In the opinion of the Board of Directors, all current and non-current assets including non-current loans, appearing in the standalone balance sheet as at 31 March 2019, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements.

For **Walker Chandio & Co LLP**

Chartered Accountants

For and on behalf of board of directors

per **Neeraj Sharma**
Partner

Place: Gurugram
Date: 22 April 2019

Kubeir Khara
Executive Director
[DIN: 03498226]
Place: Mumbai
Date: 22 April 2019

Niraj Tyagi
Director
[DIN: 07309635]
Place: Mumbai
Date: 22 April 2019

Amit Bhoite
Chief Financial Officer
Place: Mumbai
Date: 22 April 2019

Swati Nehra
Company Secretary
Place: Mumbai
Date: 22 April 2019

Independent Auditor's Review Report on Unaudited Special Purpose Interim Standalone Financial Information of the Company for the period from 1 April 2021 to 31 December 2021

To

The Board of Directors

Indiabulls Properties Private Limited

Introduction

1. We have reviewed the accompanying Unaudited Special Purpose Interim Standalone Financial Information of Indiabulls Properties Private Limited ('the Company'), which comprise the Unaudited Special Purpose Interim Standalone Balance Sheet as at 31 December 2021, the Unaudited Special Purpose Interim Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Unaudited Special Purpose Interim Standalone Statement of Cash Flows and the Unaudited Special Purpose Interim Standalone Statement of Changes in Equity for the nine months period then ended, and other explanatory information (together hereinafter referred to as the "Special Purpose Interim Standalone Financial Information"). Management is responsible for the preparation and presentation of the Special Purpose Interim Standalone Financial Information in accordance with the basis of preparation as described in note 2 to these Special Purpose Interim Standalone Financial Information which has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Special Purpose Interim Standalone Financial Information based on our review.

Scope of Review

2. We conducted our review of the Special Purpose Interim Standalone Financial Information in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('the Act'), and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Interim Standalone Financial Information is not prepared, in all material aspects, in accordance with the basis of preparation described in note 2 to this Special Purpose Interim Standalone Financial Information.

Independent Auditor's Review Report on Unaudited Special Purpose Interim Standalone Financial Information of the Company for the period from 1 April 2021 to 31 December 2021 (cont'd)

Emphasis of Matter

4. We draw attention to Note 4 to the accompanying Special Purpose Interim Standalone Financial Information, which describes the effect of uncertainties relating to the outbreak of Covid-19 pandemic and the management's evaluation of its impact on the accompanying Special Purpose Interim Standalone Financial Information and operations of the Company as at the balance sheet date, the extent of which is significantly dependent on future developments. Our conclusion is not modified in respect of this matter.

Emphasis of Matter – Basis of preparation and Restriction on Distribution or Use

5. Without modifying our conclusion, we draw attention to note 2 to the accompanying Special Purpose Interim Standalone Financial Information, which describes its basis of preparation. This Special Purpose Interim Standalone Financial Information has been prepared by the Company's management, solely for the purpose of inclusion in the placement document of Indiabulls Real Estate Limited's ('Prospective Holding Company' or 'Issuer') proposed issue of equity shares through Qualified Institutional Placement, as further explained in the said note, to be submitted with the Securities Exchange Board of India ('SEBI'), the National Stock Exchange of India Limited and the BSE Limited (together, the 'Stock Exchanges') and the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi ('ROC') as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("SEBI ICDR Regulations") and Sections 42 and 62 of the Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended. This report is solely issued for the aforementioned purpose and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other party to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Neeraj Sharma

Partner

Membership No.: 502103

UDIN: 22502103AFQEFQ3809

Place: Kolkata

Date: 25 March 2022

Indiabulls Properties Private Limited
Special purpose interim standalone balance sheet as at 31 December 2021

	(Rs. in millions)
	31 December 2021
ASSETS	
Non-current assets	
Property, plant and equipment	147.81
Investment property	11,217.70
Financial assets	
Investments	1,213.33
Other financial assets	78.39
Deferred tax assets (net)	254.60
Income-tax assets (net)	150.57
Other non-current assets	64.75
Total of non-current assets	13,127.15
Current assets	
Inventories	27,785.97
Financial assets	
Investments	969.48
Trade receivables	135.30
Cash and cash equivalents	15.25
Other bank balances	110.79
Other financial assets	18.62
Other current assets	2,996.22
Total of current assets	32,031.63
Total of assets	45,158.78
EQUITY AND LIABILITIES	
Equity	
Equity share capital	32.51
Instruments entirely equity in nature	1,000.00
Other equity	(175.28)
Total of equity	857.23
Liabilities	
Non-current liabilities	
Financial liabilities	
Borrowings	24,974.09
Other financial liabilities	484.31
Other non-current liabilities	88.96
Total of non-current liabilities	25,547.36
Current liabilities	
Financial liabilities	
Borrowings	1,009.15
Trade payables	
Total outstanding dues of micro enterprise and small enterprises	0.21
Total outstanding dues of creditors other than micro enterprise and small enterprises	314.02
Other financial liabilities	768.04
Other current liabilities	16,662.77
Total of current liabilities	18,754.19
Total of liabilities	44,301.55
Total of equity and liabilities	45,158.78

For and on behalf of the board of directors
Indiabulls Properties Private Limited

Siddharth Nawal
Director
[DIN: 07916449]

Mohit Arora
Director
[DIN: 08100136]

Place: Mumbai
Date: 25 March 2022

Place: Mumbai
Date: 25 March 2022

Indiabulls Properties Private Limited**Special purpose interim standalone statement of profit and loss for the nine months period ended 31 December 2021**

	(Rs. in millions)
	From 1 April 2021 to 31 December 2021
INCOME	
Revenue from operations	2,238.52
Other income	69.08
Total income	2,307.60
EXPENSES	
Cost of revenue	
Cost incurred during the year/maintenance services	1,881.23
Decrease in real estate project under development	189.89
Finance costs	289.63
Depreciation and amortisation expense	248.00
Other expenses	1,342.21
Total expenses	3,950.96
Loss before tax	(1,643.36)
Tax expense:	
Current income tax	-
Deferred tax charge	-
Loss for the year after tax	(1,643.36)
Other comprehensive income	
Items that will not be reclassified to profit and loss	
Net loss on fair valuation of investment through other comprehensive income	(2.76)
Income tax on above	-
Other comprehensive income for the year, net of tax	(2.76)
Total comprehensive income for the year	(1,646.12)
Earnings per equity share (face value Rs. 10 each)	
Basic and diluted (Rs. per share)	(488.90)

For and on behalf of the Board of Directors of
Indiabulls Properties Private Limited

Siddharth Nawal

Director

[DIN: 07916449]

Mohit Arora

Director

[DIN: 08100136]

Place: Mumbai

Date: 25 March 2022

Place: Mumbai

Date: 25 March 2022

Indiabulls Properties Private Limited
Special purpose interim standalone statement of cash flows for the period ended 31 December 2021

(Rs. in millions)

**From 1 April 2021 to
31 December 2021**

Cash flows from operating activities	
Loss before tax	(1,643.36)
Adjustments for :	
Depreciation and amortization expense	248.00
Interest on income tax refund	(16.67)
Interest income on fixed deposit	(4.65)
Gain on fair valuation of investments	(34.06)
Profit on sale of investments	(4.03)
Straight lining impact on rental income	56.72
Provision for expected loss on inventories	78.87
Loss on modification of financial instruments	0.47
Finance costs	287.14
Provision for doubtful advances	82.57
Operating loss before working capital changes and other adjustments	(949.00)
<i>Working capital changes and other adjustments:</i>	
Trade receivables	62.21
Inventories	1,368.65
Other financial assets	15.42
Other current and non-current assets	1,491.21
Trade payables	5.54
Other financial liabilities	(13.74)
Other current and non-current liabilities	(353.95)
Cash flows from operating activities before taxes	1,626.33
Income taxes refund (net)	104.29
Net cash flows from operating activities	1,730.63
Cash flows from investing activities	
Purchase of property, plant and equipment, investment property and capital creditors (net)	(55.48)
Purchase of investments - mutual funds	(1,856.01)
Sale of investments - mutual funds	1,813.96
Investment in bank deposits	(80.71)
Redemption of bank deposits	20.16
Interest received	4.65
Net cash used in investing activities	(153.43)
Cash flows from financing activities	
Repayment of non-current borrowings	(669.49)
Repayment of current borrowings	(128.50)
Proceeds from issue of non-convertible bonds	600.00
Interest paid	(1,520.93)
Net cash used in financing activities	(1,718.92)
Net decrease in cash and cash equivalents	(141.72)
Cash and cash equivalents at the beginning of the year	156.97
Cash and cash equivalents at the end of the year	15.25
Cash and cash equivalent comprises of :	
Balances with banks in current accounts	15.25
Total of cash and cash equivalents	15.25

The above cash flow statement has been prepared as per the Indirect method as set out in Ind AS-7.

For and on behalf of the Board of Directors of
Indiabulls Properties Private Limited

Siddharth Nawal
Director
[DIN: 07916449]

Mohit Arora
Director
[DIN: 08100136]

Place: Mumbai
Date: 25 March 2022

Place: Mumbai
Date: 25 March 2022

Indiabulls Properties Private Limited
Special purpose interim standalone statement of changes in equity for the nine months period ended 31 December 2021
Equity share capital
(Rs. in millions)

Particulars	Balance as at 1 April 2021	Issued during the period	Balance as at 31 December 2021
Equity share capital	32.51	-	32.51

Instruments entirely equity in nature
(Rs. in millions)

Particulars	Balance as at 1 April 2021	Issued during the period	Balance as at 31 December 2021
Compulsorily convertible debentures	1,000.00	-	1,000.00

Other equity
(Rs. in millions)

Particulars	Reserves and surplus				Other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Fair valuation of investment	
Balance as at 1 April 2021	8,841.85	0.16	150.00	(3,719.42)	(3,801.75)	1,470.83
Loss for the period	-	-	-	(1,643.36)	-	(1,643.36)
Other comprehensive income (net of tax)	-	-	-	-	(2.76)	(2.76)
Balance as at 31 December 2021	8,841.85	0.16	150.00	(5,362.78)	(3,804.51)	(175.28)

For and on behalf of the Board of Directors of
Indiabulls Properties Private Limited

Siddharth Nawal
Director
[DIN: 07916449]
Place: Mumbai
Date: 25 March 2022

Mohit Arora
Director
[DIN: 08100136]
Place: Mumbai
Date: 25 March 2022

Indiabulls Properties Private Limited
Special Purpose Interim Standalone Financial Information for the period ended 31 December 2021

- These Special Purpose Interim Standalone Financial Information of Indiabulls Properties Private Limited ('the Company') for the nine months period ended 31 December 2021 have been approved by the Board of Directors ('the Board') at its meeting held on 25 March 2022 and reviewed by statutory auditors of the Company.
- A scheme of amalgamation has been filed before the National Company Law Tribunal for the amalgamation ('the Scheme') of NAM Estates Private Limited and Embassy One Commercial Property Developments Private Limited, with Indiabulls Real Estate Limited ('Prospective Holding Company' or 'IBREL') for which the approval is currently awaited. Upon sanction of the Scheme by National Company Law Tribunal ('NCLT') and restructuring activities envisaged in such Scheme, which includes acquisition of controlling stake in Indiabulls Properties Private Limited ('IPPL' or the 'Company'), the Company will become a wholly owned subsidiary of IBREL. This Special Purpose Interim Standalone Financial Information of the Company which comprises of the Special Purpose Interim Standalone Balance Sheet as at 31 December 2021, the Special Purpose Interim Standalone Statement of Profit and Loss (including other comprehensive income), the Special Purpose Interim Standalone Statement of Cash Flows and the Special Purpose Interim Standalone Statement of Changes in Equity for the nine months then ended and other explanatory information (together hereinafter referred to as the "Special Purpose Interim Standalone Financial Information") and have been prepared by the Company's management in connection with inclusion in the placement document of Indiabulls Real Estate Limited's proposed issue of equity shares through Qualified Institutional Placement to be submitted with the Securities Exchange Board of India ('SEBI'), the National Stock Exchange of India Limited and the BSE Limited (together, the 'Stock Exchanges') and the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi ('ROC') as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("SEBI ICDR Regulations") and Sections 42 and 62 of the Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

This Special Purpose Interim Standalone Financial Information of the Company has been prepared as per the principles of Indian Accounting Standards including Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India, except that the disclosure requirements as required under Ind AS 34 and Schedule III to the Companies Act, 2013, including presentation of comparative financial information, have not been included in this Special Purpose Interim Standalone Financial Information, since such information is prepared for the limited purposes as specified above. The accounting policies followed in preparation of the Special Purpose Interim Standalone Financial Information are consistent with those followed in the most recent annual financial statements of the Company, i.e., for the year ended 31 March 2021.

- During the period, the Company has issued non-convertible bonds (NCBs) amounting to Rs. 600,000,000 and these Bonds are repayable after 14 years from the date of issue. Interest is payable on annual basis from 1 April 2024 at the rate of 6% per annum and redeemable at a premium. These NCBs are unsecured.
- Covid-19 pandemic has resulted in disruption to regular business operations due to lockdown imposed by the Central and State Governments. Further, Mumbai region was one of most impacted regions across the country, due to increased number of active 'Covid-19' cases amid the second wave in first quarter of current financial year. While the business operations have already resumed, the recent rising cases of Omicron variant of Covid-19 in India and related restrictions imposed by various states, business activity may get further impacted and expected return to normalcy may take more time. Additionally, because of the pandemic situation, major tenants did restructuring within their businesses and accordingly vacated some of the area, which has led to decrease in overall occupancy ratio as at 31 December 2021. As per management, the said decrease is only temporary and in the long-term, there may not be material impact of Covid-19 pandemic on the financial position and performance of the Company. The Company also owns two residential projects. One of the residential projects is a completed project and has been fully sold out and the other project is under construction. The Company has carried construction activities on the under construction residential project as per the Government's directives. Additionally, the management has also made a detailed assessment of its liquidity position including recoverability of its receivables and other advances as at balance sheet date and expects to recover carrying amount of these assets. The management will continue to closely monitor any material change to future economic conditions. The actual impact of Covid-19 pandemic on the Company's financial performance remains uncertain and dependent on spread of Covid-19 and additional steps taken by the Government to mitigate the economic impact and may differ from that estimated as at the date of approval of these Special Purpose Interim Standalone Financial Information.

5 Segment information
(i) General information

An operating segment is a component of a group that engages in business activities on which it earns revenue and incurs expenses and for which separate financial information is available. The Company has two operating and reportable segments which are Companies strategic business units. These operating segments are monitored by group's chief operating decision maker to access performance and evaluate strategic decisions.

Real estate development

The Company has prime focus on construction and development of residential and commercial projects across Mumbai.

Rental

The Company has rental structure in Mumbai on which the Company has locked in rental for future years.

(ii) Segment information
Period ended 31 December 2021

	(Rs. in millions)		
Particulars	Real estate	Rental	Total of segments
Revenue			
External customers	374.22	1,864.30	2,238.52
Total revenue	374.22	1,864.30	2,238.52
Segment expenses	3,014.09	934.77	3,948.86
Segment profit	(2,639.86)	929.52	(1,710.34)
Segment assets	31,162.42	13,447.26	44,609.67
Segment liabilities	16,795.74	1,434.60	18,230.35

Reconciliation to amount reflected in financial statements

Reconciliation of profit	31 December 2021
Segment profit	(1,710.34)
Unallocated income	69.08
Unallocated expense	(2.09)
Income-tax expense	-
Net loss after tax	(1,643.36)

Reconciliation of assets

	31 December 2021
Segment operating assets	44,609.67
Other unallocable assets	549.09
Total assets*	45,158.77

*All the assets are in India.

Reconciliation of liabilities

	31 December 2021
Segment operating liabilities	18,230.35
Other unallocable liabilities	26,071.20
Total liabilities	44,301.55

For and on behalf of the Board of Directors of
Indiabulls Properties Private Limited

Sidharth Nawal
Director
[DIN: 07916449]

Mohit Arora
Director
[DIN: 08100136]

Place: Mumbai
Date: 25 March 2022

Place: Mumbai
Date: 25 March 2022

PROPOSED ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the BRLMs, to Eligible QIBs only, on a discretionary basis. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below:

Sr. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital (including GDRs) held (%)^
1.	MORGAN STANLEY ASIA (SINGAPORE) PTE. - ODI	0.6921
2.	MOTILAL OSWAL DYNAMIC FUND	0.9685
3.	ELARA INDIA OPPORTUNITIES FUND LIMITED	0.3064
4.	MORGAN STANLEY ASIA (SINGAPORE) PTE.	0.2769
5.	EDELWEISS FINANCE AND INVESTMENTS LTD	0.1278
6.	GHISALLO MASTER FUND LP	0.6921
7.	VOLRADO VENTURE PARTNERS FUND - III - VOLRADO VENTURE PARTNERS FUND III - BETA	0.6848
8.	CITIGROUP GLOBAL MARKETS MAURITIUS PRIVATE LIMITED	0.2684
9.	SOCIETE GENERALE	0.1948
10.	SOCIETE GENERALE - ODI	0.6921
11.	ASHIKA INDIA ALPHA SCHEME	0.0498
12.	AUTHUM INVESTMENT AND INFRASTRUCTURE LIMITED	1.8297
13.	WINRO COMMERCIAL (INDIA) LTD	0.3694
14.	MAGNA UMBRELLA FUND PLC - MAGNA EMERGING MARKETS DIVIDEND FUND	0.2626
15.	MAGNA UMBRELLA FUND PLC	0.3074
16.	RESONANCE OPPORTUNITIES FUND	0.1384
17.	NOMURA SINGAPORE LIMITED	0.0692
18.	RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED	0.2031
19.	INTEGRATED CORE STRATEGIES ASIA PTE LTD	0.5935
20.	BNP PARIBAS ARBITRAGE - ODI	0.0277
21.	BNP PARIBAS ARBITRAGE	0.1384
22.	CIMB BANK BERHAD, SINGAPORE BRANCH	0.173
23.	COPTHALL MAURITIUS INVESTMENT LIMITED - ODI ACCOUNT	1.108
24.	EDELWEISS ALTERNATIVE STRATEGIES TRUST - EDELWEISS DYNAMIC GROWTH EQUITY FUND .	0.1826
25.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA MULTI CAP FUND	1.8301
26.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON POWER & INFRA FUND	0.2739
27.	STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY POOL	0.6761
28.	BAILLIE GIFFORD PACIFIC FUND A SUB FUND OF BAILLIE GIFFORD OVERSEAS GROWTH FUNDS	6.6328
29.	PACIFIC HORIZON INVESTMENT TRUST PLC	1.7163
30.	JUPITER INDIA FUND	1.4168
31.	JUPITER SOUTH ASIA INVESTMENT COMPANY LIMITED - SOUTH ASIA ACCESS FUND	0.3121
32.	SAMSUNG INDIA SECURITIES MASTER INVESTMENT TRUST EQUITY	0.4615
33.	SAMSUNG INDIA SMALL AND MID CAP FOCUS SECURITIES MASTER INVESTMENT TRUST(EQUITY)	0.1385
34.	ARCA INVESTMENTS - GLOBAL EMERGING MARKETS EQUITY ROI III	0.1921
35.	DIVERSIFIED TRUST COMPANY COMMON TRUST INTERNATIONAL EQUITY FUND	0.0578
36.	NS PARTNERS SUSTAINABLE GLOBAL EM FUND	0.0431
37.	NS PARTNERS TRUST	0.4565
38.	ERS PUBLIC EQUITY EMERGING MANAGER II LP	0.0322
39.	NS PARTNERS GLOBAL EMERGING MARKETS EQUITY FUND	0.1646
40.	BARCLAYS MULTI-MANAGER FUND PLC	0.1079
41.	NEDGROUP INVESTMENTS FUNDS PLC - GLOBAL EMERGING MARKETS EQUITY FUND	0.094
42.	NVIT EMERGING MARKETS FUND	0.4173
43.	DUNHAM EMERGING MARKETS STOCK FUND	0.1233
44.	VANTAGETRUST III MASTER COLLECTIVE INVESTMENT FUNDS TRUST	0.3683
45.	PRIVATE CLIENT EMERGING MARKETS PORTFOLIO	0.1584

^ Based on beneficiary position as on April 8, 2022

The post-Issue shareholding pattern (in percentage terms) of the proposed Allottees has been disclosed on the basis of their respective PAN, except in case of Mutual Funds, Insurance Companies, and FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.

Note:

(i) Subject to Allotment in this Issue

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Placement Document are true and correct.

Signed by:

Mehul Johnson
(Joint Managing Director)
(DIN – 00016075)

Date: April 12, 2022
Place: Mumbai

DECLARATION

We, the Board of Directors of our Company certify that:

- (i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in the Placement Document (which includes disclosures prescribed under Form PAS-4).

For and on behalf of the Board, signed by:

Mehul Johnson
(Joint Managing Director)
(DIN – 00016075)

Date: April 12, 2022

Place: Mumbai

I am authorized by the Fund Raising Committee of our Company, through resolution number 4 dated April 12, 2022 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Mehul Johnson
(Joint Managing Director)
(DIN – 00016075)

Date: April 12, 2022

Place: Mumbai

INDIABULLS REAL ESTATE LIMITED

Registered Office

Plot No. 448-451, Udyog Vihar, Phase V
Gurugram – 122 016, Haryana, India
Website: www.indiabullsrealestate.com
CIN: L45101HR2006PLC095409

Corporate office

WeWork, Vaswani Chambers, 264/265
Dr. Annie Besant Road
Worli, Mumbai – 400 030
Maharashtra, India

Company Secretary and Compliance Officer: Ravi Telkar

WeWork, Vaswani Chambers, 264/265
Dr. Annie Besant Road
Worli, Mumbai – 400 030
Maharashtra, India
Telephone: +91 22 6189 1740
Fax: +91 22 3086 6002
E-mail: rtelkar@indiabulls.com

BOOK RUNNING LEAD MANAGERS

Axis Capital Limited

1st Floor, Axis House
C-2, Wadia International Centre
P.B. Marg, Worli, Mumbai – 400 025
Maharashtra, India

IIFL Securities Limited

10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg
Lower Parel (West), Mumbai – 400 013
Maharashtra, India

Jefferies India Private Limited

42/43, 2 North Avenue
Maker Maxity, Bandra-Kurla Complex (BKC)
Bandra (East), Mumbai – 400 051
Maharashtra, India

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai – 400 025
Maharashtra, India

SBI Capital Markets Limited

202, Maker Tower “E”
Cuffe Parade
Mumbai – 400 005
Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

M/s Agarwal Prakash & Co.

508, Indra Prakash, 21,
Barakhamba Road,
New Delhi – 110 001

LEGAL ADVISER TO OUR COMPANY

As to Indian law

Khaitan & Co

Embassy Quest
3rd Floor
45/1 Magrath Road
Bengaluru – 560 025
Karnataka, India

LEGAL ADVISERS TO THE BOOK RUNNING LEAD MANAGERS

As to Indian law

J. Sagar Associates

Vakils House, 18 Sprott Road
Ballard Estate, Mumbai – 400 001
Maharashtra, India

As to United States law

Sidley Austin LLP

Level 31
Six Battery Road
Singapore – 049 909

SAMPLE APPLICATION FORM

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APPLICATION FORM

Indicative format of the Application Form

An indicative format of the Application Form is set forth below.

(Note: The format of the Application Form included herein below is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. Our Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)

	APPLICATION FORM
INDIABULLS REAL ESTATE LIMITED <i>(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)</i> Registered Office: Plot No. 448-451, Udyog Vihar, Phase V, Gurugram -122 016, Haryana, India; Corporate Office: WeWork Vaswani Chambers, 264/265, Dr. Annie Besant Road, Worli, Mumbai – 400 030, Maharashtra, India; Telephone: +91 124-6681199; Fax: +91 124-6681240; E-mail: helpdesk@indiabulls.com; Website: www.indiabullsrealestate.com; CIN: L45101HR2006PLC095409	Name of the Bidder _____ Form. No. _____ Date: April 7, 2022

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹2 EACH (“EQUITY SHARES”), FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (“ISSUE PRICE”), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING UP TO ₹[●] MILLION IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE “COMPANIES ACT”), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”) AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) BY INDIABULLS REAL ESTATE LIMITED (THE “COMPANY”) (HEREINAFTER REFERRED TO AS THE “ISSUE”).

Only Qualified Institutional Buyers (“QIBs”) as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which: (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) hold a valid and existing registration under the applicable laws in India (as applicable); (c) are not restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; are eligible to submit this Application Form. In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs (as defined hereinbelow) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA Rules”). Further, except as provided in (ii) above, other non-resident QIBs (including FVCIs and non-resident multilateral and bilateral development financial institutions) are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws of the United States and, unless so registered, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of the Equity Shares in the United States. You should note and observe the selling and transfer restrictions contained in the sections of the accompanying preliminary placement document dated April 7, 2022 (the “PPD”) titled “Selling Restrictions” and “Transfer Restrictions”.

ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019, (“FEMA RULES”). ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THE ISSUE THROUGH SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO THE FDI POLICY READ ALONG WITH THE PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED IN THE FDI POLICY AND THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING IN RELATION TO LOCK-IN REQUIREMENT. AIFs AND VCFs WHOSE SPONSOR AND MANAGER ARE NOT INDIAN OWNED AND CONTROLLED IN TERMS OF THE FEMA RULES, OR FVCIs, FOREIGN MULTILATERAL AND BILATERAL DEVELOPMENT FINANCIAL INSTITUTIONS AND ANY OTHER NON-RESIDENT INVESTORS ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	IC	Insurance Companies
MF	Mutual Funds	VCF	Venture Capital Funds
NIF	National Investment Fund	FPI	Eligible Foreign Portfolio Investor*
IF	Insurance Funds	AIF	Alternative Investment Fund**
SI-NBFC	Systemically Important Non-Banking Financial Companies	OTH	Others (Please specify)

*Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue

** Sponsor and Manager should be Indian owned and controlled

To,
The Board of Directors
Indiabulls Real Estate Limited
Plot No. 448-451, Udyog Vihar, Phase V,
Gurugram -122 016, Haryana, India

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded from making an application in the Issue pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, and (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws. and that we are not a promoter (as defined under the Companies Act and the SEBI ICDR Regulations) of the Company, or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the promoter or promoter group of the Company or persons or entities related thereto. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group, no veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules nor a FVCI or a non-resident multilateral or bilateral development financial institution not eligible to invest in India under applicable law. We confirm that the bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid does not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**Takeover Regulations**"). We further understand, acknowledge and agree that (i) our names, address, contact details, PAN number, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in terms of the PAS Rules ; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company will disclose our name, along with the name of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the website of National Stock Exchange of India Limited and the BSE Limited (together referred to as the "**Stock Exchanges**"), and we consent to such disclosure. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the Reserve Bank of India and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation of the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us, if applicable, in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, the Companies Act, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount per equity share and number of equity shares to be Allotted under each scheme. We undertake that we will sign and/or submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue. We note that the Board or any duly authorized committee thereof, is entitled, in consultation with Axis Capital Limited, IIFL Securities Limited, Jeffries India Private Limited, JM Financial Limited and SBI Capital Markets Limited (together as the "**BRLMs**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the Confirmation of Allocation Note ("**CAN**") when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be Allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

By signing and/or submitting this Application Form, we hereby confirm and agree (i) that the representations, warranties, acknowledgements and agreements as provided in the sections "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" sections of the PPD; and (ii) the terms, conditions and agreements mentioned herein, are true and correct and acknowledge and agree that these representations, warranties, acknowledgments and agreements are given by us for the benefit of the Company and the BRLMs for the Issue, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "Risk Factors" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLMs and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLMs. For the purposes of this representation: The expression "belong to the same group" shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary(ies) or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(c) of the Takeover Regulations;

(9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing Equity Shares in an offshore transaction complying with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. We confirm that we have read the representations, warranties and agreements contained in the sections entitled "Selling Restrictions" and "Transfer Restrictions" of the PPD.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial, business and investment matters so as to be capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares.

We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
TELEPHONE NO.		FAX NO.	
E-MAIL		MOBILE NO.	
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO.		
FOR MF / AIFs*** / VCFs*** / SI-NBFC / INSURANCE COMPANIES	SEBI / RBI / IRDAI Registration Number:		
<i>*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLMs.</i> <i>** In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.</i> <i>*** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.</i>			

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules. For such information, the BRLMs have relied on the information provided by the registrar and share transfer agent of the Company for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
REMITTANCE BY WAY OF ELECTONIC FUND TRANSFER BY 2 P.M. (IST), [●], [●]			
Name of the Account	INDIABULLS REAL ESTATE LTD – QIP ESCROW ACCOUNT	Account Type	Escrow Account
Name of Bank	Axis Bank Limited	Address of the Branch of the Bank	[●]
Account No.	[●]	IFSC	[●]
Legal Entity Identifier Code	335800BB14JHMN4NZI69	Email and telephone number	Email: [●] Landline: [●]

The Bid Amount should be transferred pursuant to the Application Form only by way of electronic fund transfers, towards the Escrow Account, Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period i.e. within the Bid/Issue Closing Date. All payments must be made in favor of "INDIABULLS REAL ESTATE LTD – QIP ESCROW ACCOUNT". The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

DEPOSITORY ACCOUNT DETAILS												
Depository Name	National Securities Depository Limited						Central Depository Services (India) Limited					
Depository Participant Name												
DP – ID	I	N										
Beneficiary Account Number								(16-digit beneficiary A/c. No. to be mentioned above)				

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in the Issue will be considered.**

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by you. The Company and the BRLMs shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID FOR		BID AMOUNT PER EQUITY SHARE (RUPEES)	
(In Figures)	(In Words)	(In Figures)	(In Words)

DETAILS OF CONTACT PERSON	
Name:	
Address:	
Tel. No:	Fax No:
E-mail:	

OTHER DETAILS***		ENCLOSURES ATTACHED
PAN*		☐ Copy of the PAN Card or PAN allotment letter ☐ FIRC ☐ Copy of the SEBI registration certificate as a Mutual Fund ☐ Copy of the SEBI registration certificate as an Eligible FPI ☐ Copy of the SEBI registration certificate as an AIF ☐ Copy of the SEBI registration certificate as a VCF ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank ☐ Copy of notification as a public financial institution ☐ Copy of the IRDAI registration certificate ☐ Intimation of being part of the same group ☐ Certified true copy of power of attorney ☐ Others, please specify _____
Legal Entity Identifier Code		
Date of the Application		
Signature of Authorized Signatory (may be signed either physically or digitally)**		

**Please note that the Bidder should not submit the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income Tax Act, 1961, as the application is liable to be rejected on this ground.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

****The application form is liable to be rejected if any information provided is incomplete or inadequate*

Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document, unless specifically defined herein.

Note 2: The Application Form is liable to be rejected if any information provided is incomplete or inadequate.

Note 3: The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you, either in physical form or in electronic form or both, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.