Indiabulls REAL ESTATE

January 10, 2022

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|---|---|
| **Scrip Code – 532832** | **IBREALEST/EQ** |
| **BSE Limited** | **National Stock Exchange of India Limited** |
| Phiroze Jeejeebhoy Towers, | "Exchange Plaza", Bandra-Kurla Complex, |
| Dalal Street, | Bandra (East), |
| MUMBAI – 400 001 | MUMBAI – 400 051 |

**Sub: Notice of the NCLT convened meeting of equity shareholders of Indiabulls Real Estate Limited ("the Company") for approval of the Scheme.**

Dear Sir(s),

Pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in furtherance to earlier intimation dated December 24, 2021, please be informed that the Chandigarh Bench of the National Company Law Tribunal ("**NCLT**"), vide its order dated December 23, 2021, has, *inter alia*, directed that a meeting of equity shareholders of the Company be held on **Saturday, February 12, 2022 at 11:00 AM** through video conferencing/ other audio visual means, to consider, and if thought fit, to approve the proposed Scheme of Amalgamation amongst NAM Estates Private Limited ("**Amalgamating / Transferor Company 1**"), Embassy One Commercial Property Developments Private Limited ("**Amalgamating /Transferor Company 2**") and Indiabulls Real Estate Limited (**"Amalgamated / Transferee Company"**) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Scheme**").

Please find enclosed herewith the copy of the Notice dated January 5, 2022, the Scheme, explanatory statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and accompanying documents, which has also been sent to the equity shareholders of the Company, today i.e. January 10, 2022, and is also available on the website of the Company at https://www.indiabullsrealestate.com.

This is for your information and record.

Thanking you,

Yours truly,
for **Indiabulls Real Estate Limited**

Ravi Telkar
*Company Secretary*

Encl: as above

CC: **Luxembourg Stock Exchange**
**Luxembourg**

**NOTICE – EQUITY SHAREHOLDERS**

# Indiabulls Real Estate Limited


| | | |
|---|---|---|
| **Registered Office** | : | Plot No.448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana, India |
| **Tel No** | : | 0124-6681199 |
| **CIN** | : | L45101HR2006PLC095409 |
| **Website** | : | https://www.indiabullsrealestate.com/ |
| **E-mail** | : | helpdesk@indiabulls.com |


**MEETING OF THE EQUITY SHAREHOLDERS**

**OF**

**Indiabulls Real Estate Limited**

***(convened pursuant to the order dated December 23, 2021 passed by the National Company Law Tribunal, Bench at Chandigarh)***

**MEETING:**

| | | |
|---|---|---|
| **Day** | : | **Saturday** |
| **Date** | : | **February 12, 2022** |
| **Time** | : | **11:00 AM IST** |
| **Mode** | : | **Through Video Conference/Other Audio-Visual Means** |

**REMOTE E-VOTING:**

| | | |
|---|---|---|
| **Start Date and Time** | : | **Wednesday, February 9, 2022 at 10:00 AM IST (10:00 hours)** |
| **End Date and Time** | : | **Friday, February 11, 2022 at 05:00 PM IST (17:00 hours)** |

**INDEX**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT CHANDIGARH**
**CA (CAA) No. 35/CHD/HRY OF 2021**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Indiabulls Real Estate Limited

And

In the matter of Scheme of Amalgamation of NAM Estates Private Limited, Embassy One Commercial Property Developments Private Limited and Indiabulls Real Estate Limited and their respective Shareholders and Creditors;

**Indiabulls Real Estate Limited,** a company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Plot No.448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana, India.

…Applicant Company
(Amalgamated / Transferee Company)

## NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

To,

**All the Equity Shareholders of Indiabulls Real Estate Limited:**

**NOTICE** is hereby given that by an order dated December 23, 2021 (**"Order"**), the Hon'ble National Company Law Tribunal, Bench at Chandigarh (**"NCLT"**) has directed a meeting to be held of the equity shareholders of Indiabulls Real Estate Limited (**"Applicant Company/ Amalgamated Company / Transferee Company"**) for the purpose of considering, and if thought fit, approving the arrangement embodied in the Scheme of Amalgamation of NAM Estates Private Limited ("**Amalgamating / Transferor Company 1**"), Embassy One Commercial Property Developments Private Limited ("**Amalgamating / Transferor Company 2**") (both Amalgamating / Transferor Company 1 and Amalgamating / Transferor Company 2 are hereinafter collectively referred as "**Amalgamating / Transferor Companies**") and Indiabulls Real Estate Limited (**"Amalgamated / Transferee Company"**) and their respective Shareholders and Creditors (**"Scheme"**) pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 ("**2013 Act**") and the other applicable provisions thereof and applicable Rules thereunder.

In pursuance of the Order and as directed therein, further Notice is hereby given that a meeting of the equity shareholders of the Applicant Company will be held on **Saturday, February 12, 2022 at 11:00 AM (IST) through Video Conference** (**"VC"**)/Other Audio-Visual Means (**"OAVM"**) (**"Meeting"**) in compliance with the applicable provisions of the Companies Act, 2013 (**"Companies Act"**); General Circulars No. 14/2020 dated April 8, 2020; No. 17/2020 dated April 13, 2020; 20/2020 dated May 5, 2020; No. 22/2020 dated June 15, 2020; No. 39/2020 dated December 31, 2020; and No. 10/2021 dated June 23, 2021 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as the "**MCA Circulars**"); and Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as the "**Circulars issued by SEBI**") and the said equity shareholders are requested to attend the Meeting.

At the Meeting, the following resolution will be considered and if thought fit, be passed with requisite majority:

*"**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, Section 2(42C) and/or other applicable provisions of the Income-tax Act, 1961, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the observation letter/No-objection letter issued by each of the BSE Limited and the National Stock Exchange of India Limited dated February 19, 2021 and February 23, 2021, respectively, and subject to the provisions of the memorandum of association and articles of association of Indiabulls Real Estate Limited ("**Company**") and subject to the approval of jurisdictional bench(es) of Hon'ble National Company Law Tribunal (**"NCLT"**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities or tribunals, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation amongst NAM Estates Private Limited ("**Amalgamating / Transferor Company 1**"), Embassy One Commercial Property Developments Private Limited ("**Amalgamating / Transferor Company 2**") (both Amalgamating / Transferor Company 1 and Amalgamating / Transferor Company 2 are hereinafter collectively referred as "**Amalgamating / Transferor Companies**") and Indiabulls Real Estate Limited (**"Amalgamated / Transferee Company"**) and their respective Shareholders and Creditors ("**Scheme**") the draft of which was circulated along with this Notice, be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT or tribunals while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including issuance and listing of new equity shares, pursuant to Scheme, passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."*

**TAKE FURTHER NOTICE** that since this Meeting is being held, pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars and the Circulars issued by SEBI, through VC/OAVM, physical attendance of the Equity Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Equity Shareholders will not be available for the present Meeting, and hence, the Proxy Form, Attendance Slip and Route Map of the venue are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the 2013 Act, authorized representatives of institutional/corporate shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such equity shareholder sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/ or to vote through remote e-voting.

**TAKE FURTHER NOTICE** that

a) in compliance with the provisions of MCA Circulars; Circulars issued by SEBI; Section 108 and Section 230 of the 2013 Act read with the Rules framed thereunder; and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Applicant Company has provided the facility of voting by remote e-voting and e-voting at the Meeting (Insta Poll) so as to enable the equity shareholders of the Applicant Company, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by the equity shareholders of the Applicant Company to the Scheme shall be carried out only through remote e-voting and e-voting at the Meeting (Insta Poll);

b) in compliance with the MCA Circulars, Circulars issued by SEBI and the Order passed by NCLT, (i) the aforesaid Notice, (ii) the Scheme, (iii) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the 2013 Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of the 2013 Act and the Rules made thereunder, and (iv) the enclosures as indicated in the Index (collectively referred to as "**Particulars**"), are being sent (A) through electronic mode to those equity shareholders whose e-mail IDs are registered with the Company/ its registrar and transfer agent i.e. KFin Technologies Private Limited / depositories; and (B) through registered post or speed post or courier, physically, to those equity shareholders who have not registered their e-mail IDs with the Company/KFin Technologies Private Limited / depositories. The aforesaid Particulars are being sent to all the equity shareholders whose names appear in the register of members / list of beneficial owners as on December 31, 2021;

c) the equity shareholders may note that the aforesaid Particulars will be available on the Applicant Company's website https://www.indiabullsrealestate.com/, websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of KFin Technologies Private Limited at https://www.kfintech.com;

d) copies of the aforesaid Particulars can be obtained free of charge, between 10:30 A.M. to 05:30 P.M. on all working days, at the registered office of the Applicant Company, up to the date of the Meeting, at Plot No.448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana, India.

e) the Applicant Company has provided the remote e-voting facility for its equity shareholders to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting at the Meeting (Insta Poll) are appended to the Notice. The equity shareholders opting to cast their votes by remote e-voting and e-voting during the Meeting (Insta Poll) through VC/ OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions, from Wednesday, February 9, 2022 (10:00 A.M. IST) to Friday, February 11, 2022 (05:00 P.M. IST);

f) the NCLT has appointed Justice Mr. R.P. Nagrath (Retd.), as the Chairman of the Meeting and Mr. Amitabh Tewari, Advocate, as the Alternative Chairman of the Meeting, including for any adjournment or adjournments thereof;

g) Mr. Rohit Garg, Chartered Accountant, has been appointed as the scrutinizer to scrutinize the e-voting during the Meeting (Insta Poll) and remote e-voting process in a fair and transparent manner;

h) the scrutinizer shall after the conclusion of e-voting at the Meeting (Insta Poll), first download the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairman of the Meeting. The results of the votes cast through remote e-voting and e-voting during the Meeting (Insta Poll) will be announced on or before close of business hours on February 15, 2022. The results, together with the scrutinizer's report, will be displayed at the registered office of the Applicant Company, on the website of the Applicant Company, www.indiabullsrealestate.com and on the website of KFin Technologies Private limited at https://www.kfintech.com, besides being communicated to BSE Limited and the National Stock Exchange of India Limited;

i) the Scheme, if approved at the Meeting, will be subject to the subsequent approval of NCLT; and

j) a copy of the explanatory statement, under Sections 230(3), 232(1) and (2) and 102 of the 2013 Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of 2013 Act and the Rules made thereunder, the Scheme and the other enclosures as indicated in the Index are enclosed herewith.

For **Indiabulls Real Estate Limited**<br>Sd/-<br>Ravi Telkar<br>Company Secretary<br>(Membership No. A13967)

Dated this 5th day of January, 2022

**Registered office:** Plot No.448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana, India

**Notes:**

1. **General instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting**

   (a) The Applicant Company has its registered office at Plot no. 448-451, Udyog Vihar, Phase V, Gurugram-122016, Haryana, within the jurisdiction of Hon'ble National Company Law Tribunal, Bench at Chandigarh ("**NCLT**"). The registered offices of the Amalgamating Company 1 and the Amalgamating Company 2 are situated at Bengaluru, Karnataka, and therefore, the said companies have filed an application before the appropriate Bench of the National Company Law Tribunal having territorial jurisdiction and are subject to directions of the jurisdictional bench of National Company Law Tribunal.

   (b) Pursuant to the Order passed by the NCLT, read with MCA Circulars and the Circulars issued by SEBI, Meeting of the equity shareholders of the Applicant Company will be held through VC/ OAVM.

   (c) KFin Technologies Private Limited (**"KFintech"**), the Applicant Company's Registrar and Transfer Agent, will provide the facility for voting by the equity shareholders through remote e-voting, for participation in the Meeting through VC/OAVM and e-voting during the Meeting (Insta Poll).

   (d) Since, the Meeting is being held through VC/ OAVM, pursuant to Order passed by the NCLT and the MCA Circulars, physical attendance of the equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the equity shareholders will not be available for the Meeting. However, in pursuance of Sections 112 and 113 of the 2013 Act, authorized representatives of institutional/corporate shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such equity shareholder sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting (Insta Poll) and/or to vote through remote e-voting, on its behalf.

   (e) The proceedings of this Meeting would be deemed to have been conducted at the registered office of the Applicant Company located at Plot No.448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana, India.

   (f) The quorum of the Meeting of the equity shareholders of the Applicant Company shall be 74390 equity shareholders, personally present, in terms of number or 40% in value of the equity shareholders. The equity shareholders attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the 2013 Act. Further, in terms of the Order, if the quorum is not present at the commencement of the Meeting, the Meeting will be adjourned by 30 minutes and thereafter Members present on the e-platform for the Meeting will be the quorum.

   (g) The aforesaid Particulars are being sent (i) through electronic mode to those Equity Shareholders whose e-mail IDs are registered with the Company/ KFin Technologies Private Limited / depositories; and (ii) through registered post or speed post or courier, physically, to those equity shareholders who have not registered their e-mail IDs with the Company / KFin Technologies Private Limited / depositories. The aforesaid Particulars are being sent to all the equity shareholders whose names appear in the register of members / list of beneficial owners as on December 31, 2021.

   (h) All the documents referred to in the accompanying explanatory statement, shall be available for inspection through electronic mode during the proceedings of the Meeting. Equity shareholders seeking to inspect copies of the said documents may send an email at investor.relations@indiabulls.com. Further, all the documents referred to in the accompanying explanatory statement shall also be open for inspection by the equity shareholders at the registered office of the Applicant Company between 10:30 AM to 05:30 PM on all working days up to the date of the Meeting.

   (i) The public notice, indicating the day, date & time etc of the Meeting will be published through advertisement in (i) Financial Express (English), Delhi NCR edition; and (ii) Jansatta (Hindi), Delhi NCR edition.

   (j) The Scheme shall be considered approved by the equity shareholders of the Applicant Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the equity shareholders voting at the Meeting through VC/OAVM or by remote e-voting, in terms of the provisions of Sections 230 to 232 of the 2013 Act and if the votes cast by the public shareholders approving the Scheme are more than the number of votes cast by the public shareholders against it, in terms of SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020.

   (k) Since the Meeting will be held through VC/OAVM in accordance with the Order passed by NCLT and the operating procedures (with appropriate modifications if required) set out in the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

**2 Instructions for remote e-voting and e-voting at the meeting (Insta Poll)**

(a) In compliance with the provisions of Section 108 of the 2013 Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on the resolution set forth in this Notice. The instructions for e-Voting are given herein below.

(b) However, pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

(c) Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

(d) The remote e-Voting period commences on Wednesday, February 9, 2022 (10:00 A.M. IST) & ends on Friday, February 11, 2022 (05:00 P.M. IST). The remote e-voting module will be disabled by KFin Technologies Private Limited for voting thereafter. Once the vote on a resolution is cast by the Equity Shareholder, they will not be allowed to change it subsequently. During this period, equity shareholders of the Applicant Company holding shares either in physical form or in dematerialised form, as on February 5, 2022 i.e., Cut-Off Date, may cast their vote by remote e-voting. A person who is not an equity shareholder as on the Cut-Off Date should treat this Notice for information purpose only.

(e) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. February 5, 2022.

(f) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

(g) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

(h) The details of the process and manner for remote e-Voting and NCLT Meeting are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (NCLT Meeting) of the Company on KFin system to participate NCLT Convened Meeting and vote at the Meeting.

**Details on Step 1 are mentioned below:**

**I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

| **Type of shareholders** | **Login Method** |
|---|---|
| Individual Shareholders holding securities in demat mode with | 1. **User already registered for IDeAS facility:**<br>I. Visit URL: https://eservices.nsdl.com<br>II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.<br>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e- |

| | |
|---|---|
| NSDL | Voting"<br>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.<br><br>2. **User not registered for IDeAS e-Services**<br>I. To register click on link : https://eservices.nsdl.com<br>II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>III. Proceed with completing the required fields.<br>IV. Follow steps given in points 1.<br><br>3. **Alternatively by directly accessing the e-Voting website of NSDL**<br>I. Open URL: https://www.evoting.nsdl.com/<br>II. Click on the icon "Login" which is available under 'Shareholder/Member' section.<br>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.<br>IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech.<br>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period. |
| Individual Shareholders holding securities in demat mode with CDSL | **1. Existing user who have opted for Easi / Easiest**<br>I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com<br>II. Click on New System Myeasi<br>III. Login with your registered user id and password.<br>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.<br>V. Click on e-Voting service provider name to cast your vote.<br><br>**2. User not registered for Easi/Easiest**<br>I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration<br>II. Proceed with completing the required fields.<br>III. Follow the steps given in point 1<br><br>**3. Alternatively, by directly accessing the e-Voting website of CDSL**<br>I. Visit URL: www.cdslindia.com<br>II. Provide your demat Account Number and PAN No.<br>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.<br>IV. After successful authentication, user will be provided links for the respective ESP, i.e. **KFintech** where the e-Voting is in progress. |
| Individual Shareholder login through their demat accounts / Website of Depository Participant | I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.<br>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.<br>III. Click on options available against company name or e-Voting service provider – **Kfintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication. |

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|---|---|
| Securities held with NSDL | Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800** |

| | |
|---|---|
| | **1020 990** and **1800 22 44 30** |
| Securities held with CDSL | Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022- 23058738** or **022-23058542-43** |

**Details on Step 2 are mentioned below:**

**II) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**(A) Members whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:**

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e. Indiabulls Real Estate Limited and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the Meeting through VC / OAVM on its behalf and to cast its vote through remote e-voting, to the Scrutinizer at email id gargrohitassociates@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

**(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Notice of Meeting and e-voting instructions cannot be serviced, will have to follow the following process:**

i. Members who have not registered their email address and in consequence the Notice of Meeting and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number registered with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of Meeting and the e-voting instructions.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**Details on Step 3 are mentioned below:**

**III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the NCLT convened Meeting of the Company through VC/OAVM and e-Voting during the meeting.**

i. Member will be provided with a facility to attend the Meeting through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining Meeting though VC/ OAVM shall open at least 30 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the Meeting is being conducted through VC / OAVM, for the smooth conduct of proceedings of the Meeting, Members are requested to send their views / queries with respect to the Scheme in advance mentioning their name, demat account number / folio number, email id, mobile number at helpdesk@indiabulls.com. Questions /queries with respect to the Scheme received by the Applicant Company till 11:00 A.M. (IST) on Friday, February 11, 2022 shall only be considered and responded during the Meeting.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the Meeting. E-voting during the Meeting is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the Meeting. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the Meeting shall be treated as invalid.

viii. Institutional Members are encouraged to attend and vote at the Meeting through VC / OAVM.

**3 OTHER INSTRUCTIONS**

I. **Speaker Registration:** The Members who wish to speak during the meeting with respect to the Scheme may register themselves as speakers for the Meeting to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will be opened from from Wednesday, February 9, 2022 (10:00 A.M. IST) to Friday, February 11, 2022

(05:00 P.M. IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the Meeting to only those Members who have registered themselves, depending on the availability of time for the Meeting.

II. **Post your Question:** The Members who wish to post their questions with respect to the Scheme prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from KFintech. On successful login, select 'Post Your Question' option which will remain open from Wednesday, February 9, 2022 (10:00 A.M. IST) to Friday, February 11, 2022 (11:00 A.M. IST).

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Mr. PSRCH Murthy, Manager – RIS, KFin Technologies Private Limited, Selenium Tower B, Plot Nos.31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, February 5, 2022, being the cut-off date, are entitled to vote on the Resolution set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of Meeting Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL: MYEPWD <SPACE> IN12345612345678
2. Example for CDSL: MYEPWD <SPACE> 1402345612345678
3. Example for Physical: MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the Meeting are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

The results of the electronic voting shall be declared to the Stock Exchanges after the Meeting. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

**4. Information and instructions for e-voting facility at the meeting (Insta Poll)**

(a) Facility to cast vote through e-voting (Insta Poll) at the Meeting will be made available on the video conference screen and will be activated once the e-voting is announced at the Meeting.

(b) Those equity shareholders, who will be present in the Meeting through VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting (Insta Poll).

(c) The procedure for e-voting during the Meeting (Insta Poll) is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the Meeting. E-voting during the Meeting (Insta Poll) is integrated with the VC/OAVM platform and no separate login is required for the same.

**5.** SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Equity shareholders holding shares in electronic form are requested to submit their PAN to their DPs, and those holding shares in physical form are requested to submit their PAN to the Applicant Company's Registrar and Transfer Agent, KFin Technologies Private Limited.

**Encl:** As above

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,**
**CHANDIGARH BENCH,**
**AT CHANDIGARH**

**CA (CAA) No. 35/CHD/HRY OF 2021**

**IN THE MATTER OF:**

The Companies Act, 2013

**AND**

**IN THE MATTER OF:**

Sections 230 to 232 of the Companies, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

**AND**

**IN THE MATTER OF:**

Scheme of Amalgamation of NAM Estates Private Limited, Embassy One Commercial Property Developments Private Limited and Indiabulls Real Estate Limited and their respective Shareholders and Creditors.

**AND**

**IN THE MATTER OF:**

**NAM Estates Private Limited**, CIN U85110KA1995PTC017950, PAN AAACN6881H, a company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at 1st Floor, Embassy Point, 150 Infantry Road, Bangalore – 560001, Karnataka.

…**Amalgamating Company 1/Transferor Company 1**

**Embassy One Commercial Property Developments Private Limited**, CIN U70109KA2018PTC135028, PAN AAFCE1051R, a company incorporated under the provisions of the Companies Act, 2013, having its Registered Office at 1st Floor, Embassy Point, 150 Infantry Road, Bangalore – 560001, Karnataka.

…**Amalgamating Company 2/Transferor Company 2**

**Indiabulls Real Estate Limited**, CIN L45101HR2006PLC095409, PAN AABCI5194F, a public limited company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Plot no. 448-451, Udyog Vihar, Phase V, Gurugram-122016, Haryana.

**…Applicant Company/Amalgamated Company/Transferee Company**

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) & (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. The Applicant Company has its registered office at Plot no. 448-451, Udyog Vihar, Phase V, Gurugram-122016, Haryana, within the jurisdiction of Hon'ble National Company Law Tribunal, Bench at Chandigarh ("**NCLT**"). The registered offices of the Amalgamating Company 1 and the Amalgamating Company 2 are situated at Bengaluru, Karnataka, and therefore, the said companies have filed an application before the appropriate Bench of the National Company Law Tribunal having territorial jurisdiction and are subject to directions of such jurisdictional bench of National Company Law Tribunal.

2. Pursuant to the Order dated December 23, 2021, passed by the Hon'ble NCLT in CA(CAA) No. 35/CHD/HRY of 2021 (**"Order")**, a meeting of the Equity Shareholders of Indiabulls Real Estate Limited (Applicant Company/ Amalgamated Company / Transferee Company), as set out in the table below, is being convened through Video Conference ("**VC**")/Other Audio-Visual Means ("**OAVM**") for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of NAM Estates Private Limited, Embassy One Commercial Property Developments Private Limited and Indiabulls Real Estate Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "**Act**"), and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"Scheme"**).

   Details of meeting ordered by the NCLT:

| S. No. | Entity | Class of meeting | Date and Time of meeting |
|---|---|---|---|
| 1. | Indiabulls Real Estate Limited,<br>(Applicant Company/ Amalgamated Company / Transferee Company) | Equity Shareholders | February 12, 2022,<br>11:00 AM |

3. The meeting shall be deemed to take place at the registered offices of the Amalgamated Company.

4. Further, the NCLT, *vide,* its Order has dispensed the meetings of the Secured and Unsecured Creditors of the the Amalgamated Company.

5. The following documents are being enclosed with this statement and to the notice convening the aforesaid meeting:

| Sr. No. | Contents |
|---|---|
| 1. | Notice of NCLT Convened Meeting of the Equity Shareholders of Indiabulls Real Estate Limited under the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. |
| 2. | Explanatory Statement under Section 230(3) read with Section 102 of the Companies Act, 2013. |
| 3. | Scheme of Amalgamation of NAM Estates Private Limited ("**Amalgamating / Transferor Company 1**"), Embassy One Commercial Property Developments Private Limited ("**Amalgamating / Transferor Company 2**") (both Amalgamating / Transferor Company 1 and Amalgamating / Transferor Company 2 are hereinafter collectively referred as "**Amalgamating / Transferor Companies**") and Indiabulls Real Estate Limited |

| | |
|---|---|
| | (**"Amalgamated / Transferee Company"**) and their respective Shareholders and Creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. |
| 4. | Valuation Report dated August 18, 2020 issued by M/s N S Kumar & Co. (independent Chartered Accountant), Mr. Niranjan Kumar (Registered Valuer) and BDO Valuation Advisory LLP (Registered Valuer). |
| 5. | Fairness Opinion dated August 18, 2020 issued by M/s O3 Capital Global Advisory Private Limited, a SEBI registered Category I merchant banker. |
| 6. | Observation Letter dated February 19, 2021 as issued by BSE Limited ("BSE") to Amalgamated / Transferee Company. |
| 7. | Observation Letter dated February 23, 2021 as issued by National Stock Exchange of India Limited ("NSE") to Amalgamated / Transferee Company. |
| 8. | Order dated February 24, 2021, as issued by the Competition Commission of India (CCI). |
| 9. | Report adopted by Board of Directors of the Amalgamating /Transferor Company 1, Amalgamating /Transferor Company 2, and Amalgamated /Transferee Company, under Section 232(2)(c) of the Companies Act, 2013. |
| 10. | Complaints Report filed by Amalgamated/Transferee Company with BSE and NSE. |
| 11. | Audited Annual Accounts for the financial year ended March 31, 2021, of the Amalgamating /Transferor Companies and Amalgamated/ Transferee Company. |
| 12. | Unaudited Financial Results of Amalgamated /Transferee Company, as filed with the BSE and NSE, for the period ended September 30, 2021. |
| 13. | Unaudited Balance Sheet/ Management Accounts of the Amalgamating/Transferor Companies, as on September 30, 2021. |
| 14. | The applicable information in the format for abridged prospectus of the Amalgamating /Transferor Companies as per SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020. |

*Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.*

6. The Scheme, *inter alia*, provides for the amalgamation of the Amalgamating Company 1 and Amalgamating Company 2 with the Amalgamated /Transferee Company, with effect from the Appointed Date and various other matters consequential to or otherwise integrally connected with the above pursuant to the provisions of Sections 230 to 232 of the Act, and any other provisions of the Act, as applicable (including any statutory modification(s) or re-enactment thereof), for the time being in force.

7. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"Rules"**).

8. Equity Shareholders would be entitled to vote either through remote e-voting or e-voting at the Meeting (Insta Poll).

9. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the equity shareholders voting through remote e-voting and e-voting at the Meeting (Insta Poll), agree to the Scheme AND pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, if the votes cast by the public shareholders approving the Scheme are more than the number of votes cast by the public shareholders against the Scheme.

**Particulars of the Transferor Companies and Transferee Company**

***Amalgamating Company 1 / Transferor Company 1***

10. NAM Estates Private Limited, Amalgamating Company 1/Transferor Company 1, having CIN U85110KA1995PTC017950, is a company incorporated as a private limited company under the Companies Act, 1956 on June 2, 1995 vide certificate of incorporation issued by the Registrar of Companies, Bangalore. There has been no change in name of Amalgamating Company 1 since incorporation. Amalgamating Company 1 currently has its registered office at 1st Floor, Embassy Point, 150 Infantry Road, Bangalore – 560001, Karnataka. There has been no change in the registered office address of Amalgamating Company during last 5 years. The PAN of Amalgamating Company 1 is AAACN6881H. Amalgamating Company 1 is the holding Company of Amalgamating Company 2.

11. The objects of Transferor Company 1 were not altered during the last 5 years. The present objects as set out in Memorandum of Association and the main business carried on by the Transferor Company 1 are as follows:

*To carry on all or any other business of designing, planning, managing, developing and / or construction of apartments, houses, factories, godowns, warehouses, hotels, farm houses, health clubs, holiday resorts, club house, industrial sheds, housing colonies, factory buildings, public buildings, multistoreyed buildings, schools, colleges, community halls, shopping complex, dams, bridges, canals, power projects and other hydraulic structures, roads and highways, golf course, playgrounds, tennis court, and / or to carry on business as civil, mechanical, electrical, water supply and sanitary contractors, builders, real estate developers, suppliers of various services required for residential, commercial, industrial and other units in compliance with foreign exchange laws in relation to foreign investment in real estate sector including compliance under foreign direct investment policy that may be issued by the Reserve Bank of India (RBI) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, from time to time.*

12. The name and address of the promoters of the Transferor Company 1 as on December 31, 2021, are as follows:

| Sr. No. | Name of Promoter | Address |
|---|---|---|
| 1 | JV Holding Private Limited | Ist Floor, Embassy Point, 150 Infantry Road, Bangalore – 560 001, Karnataka |
| 2 | Embassy Property Developments Private Limited | Ist Floor, Embassy Point, 150 Infantry Road, Bangalore – 560 001, Karnataka |
| 3 | OMR Investments LLP | 150, Infantry Road, Bengaluru – 560 001, Karnataka |
| 4 | Jitendra Virwani | 341 Embassy Woods, 6/A Cunnigham Road, Vasanth Nagar Bangalore – 560052 |
| 5 | Karan Virwani | No. 332, Embassy Woods, 6A, Cunningham Road, Vasanth Nagar, Bangalore – 560052 |

| Sr. No. | Name of Promoter | Address |
|---|---|---|
| 6 | Aditya Virwani | No. 332, Embassy Woods, 6A, Cunningham Road, Vasanth Nagar, Bangalore – 560052 |
| 7 | Neel Virwani | No. 332, Embassy Woods, 6A, Cunningham Road, Vasanth Nagar, Bangalore – 560052 |

13. The name and address of the directors of the Transferor Company 1 as on December 31, 2021, are as follows:

| DIN | Name | Address | Designation | Date of Appointment |
|---|---|---|---|---|
| 00055416 | Mr. P.R. Ramakrishnan | NP 402, Sriram Spandana, Varthur Hobli, Blore C Ghatta Yamalur PO, Bangalore – 560037 | Director | 08/03/2013 |
| 00738227 | Mr. Rajesh Ramchand Bajaj | Apt No 201 Embassy High Street No -06, High Street Cooke Town Bangalore 560005 | Director | 17/05/2017 |
| 03071954 | Mr. Karan Virwani | No. 332 Embassy Woods, 6/A Cunningham Road Vasanth Nagar, Bangalore-560052. | Director | 18/12/2020 |
| 06480521 | Mr. Aditya Virwani | No. 332 Embassy Woods, 6/A Cunningham Road Vasanth Nagar, Bangalore-560052. | Director | 18/12/2020 |

14. The Authorised, Issued, Subscribed and Paid-up Share Capital of Transferor Company 1 as on December 31, 2021, is as follows:

| Particulars | Amount in Rupees |
|---|---|
| **Authorised Capital** | |
| 92,02,70,000 equity shares of Rs. 10/- each | 920,27,00,000 |
| **TOTAL** | **920,27,00,000** |
| **Issued, Subscribed and Paid-up Share Capital** | |
| 39,98,11,391 equity shares of Rs. 10/- each | 399,81,13,910 |
| **TOTAL** | **399,81,13,910** |

***Amalgamating Company 2 / Transferor Company 2***

15. Embassy One Commercial Property Developments Private Limited, Amalgamating Company 2/Transferor Company 2, having CIN U70109KA2018PTC135028 is a company incorporated as a private limited company under the 2013 Act on July 3, 2018 *vide* certificate of incorporation issued by the Registrar of Companies, Bangalore. There has been no change in name of Amalgamating Company 2 since incorporation. Amalgamating Company 2 currently has its registered office at 1st Floor, Embassy Point, 150 Infantry Road, Bangalore – 560001, Karnataka. The Company was incorporated with its registered office situated in the State of Karnataka. The registered office was shifted from the State of Karnataka to the State of Telangana vide order of the Regional Director dated February 19, 2019, and confirmed by the Registrar of Companies, Hyderabad on June 18, 2019. Thereafter, the registered office of the Company was shifted back to the State of Karnataka vide order of the Regional Director dated May 21, 2020 and confirmed by the Registrar of Companies, Bangalore on June 18, 2020. The PAN of Amalgamating Company 2 is AAFCE1051R. Amalgamating Company 2 is a wholly owned subsidiary of Amalgamating Company 1.

16. The objects of Transferor Company 2 were not altered since the date of incorporation. The present objects as set out in Memorandum of Association and the main business carried on by the Transferor Company 2 are as follows:

*To purchase, sell, sub-divide, consolidate any land and plots, construct, promote shopping malls, multiplexes, theatres, information technology, buildings, commercial buildings, including hotels and service apartments, for sale, rent, lease or both on installment or otherwise.*

17. The name and address of the promoters of the Transferor Company 2 as on December 31, 2021, are as follows:

| Sr. No. | Name of Promoter | Address |
|---|---|---|
| 1 | NAM Estates Private Limited | 1st Floor, Embassy Point, 150 Infantry Road, Bangalore – 560 001, Karnataka, India |

18. The name and address of the directors of the Transferor Company 2 as on December 31, 2021, are as follows:

| DIN | Name | Address | Designation | Date of Appointment |
|---|---|---|---|---|
| 00027580 | Mr. Narpat Singh Choraria | Flat No.603, Embassy Orchid, 57/38, 8th Main, R.M.V. Extension, 1st Stage, Bangalore 560080 | Director | 31/08/2018 |
| 01777973 | Ms. Shaina Ganapathy | S-55, 4/2, Harmony Homes, Hennur Main Road, HRBR Layout, 3rd Block, Bangalore 560043 | Director | 08/01/2020 |

19. The Authorised, Issued, Subscribed and Paid-up Share Capital of Transferor Company 2 as on December 31, 2021, is as follows:

| Particulars | Amount in Rupees |
|---|---|
| **Authorised Capital** | |
| 10,000 equity shares of Rs. 10/- each | 1,00,000 |
| **TOTAL** | **1,00,000** |
| **Issued, Subscribed and Paid-up Share Capital** | |
| 10,000 equity shares of Rs. 10/- each | 1,00,000 |
| **TOTAL** | **1,00,000** |

***Applicant / Amalgamated / Transferee Company***

20. Indiabulls Real Estate Limited, the Applicant herein, having CIN: L45101HR2006PLC095409, is a company, incorporated as a public limited company under the Companies Act, 1956, on April 4, 2006. There has been no change in name of Amalgamated Company since incorporation. The registered office of the Amalgamated Company is currently located at Plot no. 448-451, Udyog Vihar, Phase V, Gurugram-122016, Haryana. The registered office of Amalgamated Company was shifted from New Delhi to the State of Haryana vide order of the Regional Director dated February 22, 2021, and confirmed by the Registrar of Companies, Delhi, on June 3, 2021. The PAN of Amalgamated Company is AABCI5194F.

21. The objects of the Amalgamated Company were not altered during the last 5 years. The present objects as set out in Memorandum of Association and the main business carried on by the Amalgamated Company are as follows:

(a) *To purchase, sell, develop, construct, take in exchange or on lease, hire or otherwise acquire and deal in all real or personal estate/properties and to enter into joint venture, foreign collaboration in real estate as per permissible government guidelines.*

(b) *To construct, acquire, hold/sell properties, buildings, farms, lands tenements and such other moveable and immovable properties and to rent, let on hire and manage them and to act as real estate agent and immovable property dealers.*

(c) *To carry on the business of Builders, General and Government Contractor and Engineers (mechanical, electrical, canal, civil, irrigation) and in all its branches.*

(d) *To acquire by purchase, lease, exchange or otherwise land, buildings, structures of any description in India or abroad and any estate or interest therein and any rights over or connected with land, building and structures and turn the same to accounts as may seem expedient and in particular by preparing building sites and by constructing, developing, reconstructing, altering, improving, decorating, furnishing and maintaining, townships, markets, offices, flats, apartments, houses, shops, factories, ware-house, or other buildings residential and commercial of all kinds and/or conveniences thereon, to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, installations and to deal with the same in any manner whatsoever, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others, to manage land, building and other properties situated as aforesaid, whether belonging to company or not and to collect rents and income and supply tenants and occupiers.*

(e) *To layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model, improve, grades, curves, pave, macadamize, cement, maintain or do any other work in connection with any building or building scheme, structures, houses, apartments, places of worship, paths, streets, sideways, courts, alleys, pavements, roads, highway, docks, sewers, bridges, canal, wells, springs, dams, power plants, bours, wharves, ports, reservoirs, embarkments, tramway, railways, irrigations, reclamations, improvements, sanitary, water, gas or any other structural or architectural work of any kind whatsoever and for such purpose, to prepare estimates, designs, plans, specification or models.*

(f) *To provide personnel recruitment services and provide personnel and personal services as supervisors of works and consultants in industries of every kind or description including real estate development and infrastructure projects.*

(g) *To form, settle, acquire, set up, incorporate, establish, promote, subsidise, organise and assist or aid in forming, promoting, subsiding, organising or aiding, companies, trusts, funds, entities or partnerships of all kinds for any purpose including for the purpose of accepting and undertaking any properties, businesses, assets, liabilities of this Company, or with objects similar in whole or part with that of Company and invest therein.*

(h) *To carry on the profession of consultants on management, employment, engineering, industrial and technical matters, including in relation to architecture, design management and interior design to industry and business of every kind and description including acting as consultants to companies engaged in real estate development and infrastructure projects.*

(i) *To act as consultants and to advise and assist on all aspects of corporate, commercial and industrial management or activity including production, manufacturing, personnel, financial, marketing, taxation, audit, technology, insurance, purchasing, sales, quality, control, productivity, planning, research and development, site and project management, construction supervision, schedule, safety and quality control, organization, import and export business, industrial relations and management and to make evaluations feasibility studies, project reports forecasts and surveys and to give export* *advice and advice on acquisition and commercial exploitation of real estate and suggest ways and means for improving efficiency in real estate development, infrastructure projects, mines trades, plantations, business organizations registered or co-operate societies, partnership or proprietary concerns and industries of all kinds in India and elsewhere in the world and improvement of business management, office organization and export management, to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of the company including assistance in acquiring governmental, regulatory and any other required approvals, to recruit and/or advice on the recruitment of staff for any company, to publish and sell books, bulletins periodicals and any other form of printed matters, to acquire, sell and deal in patents designs and any other rights to industrial property, and generally to conduct market research, product planning, classes, seminars and conferences in connection with any of the foregoing.*

22. The name and address of the promoters of the Amalgamated Company, as on December 31, 2021, are as follows:#

| Sr. No. | Name of Promoter # | Address |
|---|---|---|
| 1. | Sameer Gehlaut | Apartment 6.01, 5, Stanhope Gate London, W1K1AH, United Kingdom |
| 2. | Jyestha Infrastructure Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 3. | Kritikka Infrastructure Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 4. | Powerscreen Media Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 5. | Dahlia Infrastructure Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 6. | SG Infralands Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 7. | SG Devbuild Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 8. | Karanbhumi Estates Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 9. | Meru Minerals Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 10. | Galax Minerals Private Limited | Plot No.422B, Udyog Vihar, Phase - IV, Gurugram, Haryana 122016, India |
| 11. | IBREL IBL Scheme Trust | M – 62 & 63, First Floor, Connaught Place, New Delhi-110001, India |

*Note#: The Promoters and Promoter group of the Company ("Outgoing Promoters"), being eligible for reclassification as 'public' shareholders, in compliance with the conditions set out in regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") and other applicable laws, vide their request letter dated January 1, 2022, have sought reclassification from 'Promoter and Promoter Group' category to 'Public' category. In their communication, they have, in inter alia, mentioned that during the pendency of the ongoing Scheme, with a view to have Company's business operations independent, the Company, its management and day to day affairs/operations/activities are being controlled & managed professionally, by its management team and Board of Directors, and the Outgoing Promoters are not involved in the day-to-day activities of the Company and are not associated with the business of the Company, in any manner whatsoever, and do not exercise any control over the Company, directly or indirectly, or have any influence over the business and policy decisions of the Company. Accordingly, being eligible for reclassification as 'public' shareholders, in* *compliance with the conditions set out in regulation 31A of the Listing Regulations, the Outgoing Promoters are seeking such reclassification from 'Promoter and Promoter Group' category to 'Public' category. The Board of Directors of the Company, at their meeting held on January 5, 2022, considered and approved such request of Outgoing Promoters and initiated all necessary steps, including seeking consent of the shareholders of the Company. After receipt of necessary approvals, including the approval of the shareholders of the Company and Stock Exchanges, the Outgoing Promoters would get depromoterised and will be categorized as 'Public' shareholders.*

23. The name and address of the directors of the Amalgamated Company, as on January 1, 2022, are as follows:

| DIN | Name | Address | Designation | Date of Appointment |
|---|---|---|---|---|
| 00012579 | Mr. Kulumani Gopalratnam Krishnamurthy* | 403, Meru Heights, 268, Telang Road, Matunga East, Mumbai – 400019 | Non-Executive Independent Director* | 09/11/2021 |
| 00016075 | Mr. Mehul Johnson | 2804/28 Floor, Indiabulls Sky, Senapati Bapat Marg, Plot No - 882 Jupiter Mill, Elphinstone, Mumbai – 400013 | Joint Managing Director | 31/12/2020 |
| 06667127 | Mr. Gurbans Singh | C-552, 2nd Floor, Defence Colony, New Delhi – 110024 | Joint Managing Director | 29/09/2014 |
| 07577265 | Justice Mrs. Gyan Sudha Misra (Retd.) | D-78, Panchsheel Enclave, New Delhi – 110017 | Non-Executive Independent Director | 29/09/2016 |
| 08183046 | Mr. Gurinder Singh | House No. 94, Sector-10-A, Chandigarh – 160011 | Non-Executive Independent Director | 31/03/2019 |
| 02167497 | Mr. Praveen Kumar Tripathi | K-80, S/F Internal Street, Hauz Khas, Near Kailash Pati Mandir, New Delhi – 110016 | Non-Executive Independent Director | 31/03/2019 |

** to be designated as Non-executive Chairman of the Company with effect from February 1, 2022.*

24. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on December 31, 2021, is as follows:

| Particulars | Amount in Rupees |
|---|---|
| **Authorised Capital** | |
| 75,00,00,000 Equity shares of Rs. 2/- each | 150,00,00,000 |
| 36,40,00,000 Preference Shares of Rs. 10/- each | 364,00,00,000 |
| **TOTAL** | **514,00,00,000** |
| **Issued, Subscribed and Paid-up Share Capital** | |
| 45,61,15,896 Equity shares Rs. 2/- each | 91,22,31,792 |
| **TOTAL** | **91,22,31,792** |

**Rationale for the Scheme**

25. The rationale for the Scheme is as under:

    (i) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company ensures that the Amalgamated Company has a complementary presence pan India across key market of Mumbai, Bangalore, Chennai and the NCR region and has diversification across real estate asset classes (commercial and residential).

    (ii) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enable consolidation of the business and operations of the Amalgamating Companies and the Amalgamated Company which will provide impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies and enable optimal utilization of various resources as a result of pooling of financial, managerial, technical and human resources of both the Amalgamating Companies and the Amalgamated Company, thereby creating a stronger base for future growth and accretion of shareholder value.

    (iii) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will result in rationalization and streamlining of the management structure of the consolidated business operations and pooling of human talent in terms of manpower, administration and marketing which will result in savings in the operation costs and optimum utilization of assets. Further, the consolidation will result in greater efficiency in 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.

    (iv) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will provide the Amalgamated Company with size and scale and hence, with greater opportunities to secure investments from a new set of financial investors and will enhance the Amalgamated Company's ability to raise further capital from the financial markets.

    (v) The consolidation of the resources of the Amalgamating Companies with those of the Amalgamated Company will enable the Amalgamated Company to provide better services and facilities to its customers and suppliers.

    (vi) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enhance the shareholder's value accruing from consolidation of business operations resulting in economies of scale, improving allocation of capital and optimizing cash flows, thus, contributing to the overall growth prospects of the Amalgamated Company.

**Relationship among Companies who are parties to the Scheme**

26. The Amalgamating Company 2 is the wholly owned subsidiary of Amalgamating Company 1. The Amalgamated Company is not related to Amalgamating Company 1 and Amalgamating Company 2 in any manner, except that Amalgamating Company 1, either directly or indirectly through its wholly owned subsidiary ie Embassy Realty Ventures Private Limited, presently holds 13.83% equity shareholding in the Amalgamated Company. The shares held by Amalgamating Company 1 in the share capital of Amalgamated Company as on the Effective Date 1 shall be cancelled, pursuant to clause 11 of the Scheme.

27. None of the promoters, directors, key managerial personnel or managers, if any, of any of the Parties has any shareholding interest in any of the other Parties which is above 2% of the paid-up share capital of the relevant Party, except that Embassy Realty Ventures Private Limited, a subsidiary of Amalgamating Company 1, holds 13.83% equity shareholding in the Amalgamated Company.

**Corporate Approvals**

28. The draft Scheme along with the Valuation Report dated August 18, 2020, issued by M/s N S Kumar & Co. (independent Chartered Accountant), Mr. Niranjan Kumar (Registered Valuer) and BDO Valuation Advisory LLP (Registered Valuer) (collectively the "**Valuation Reports**"), along with Fairness Opinion dated August 18, 2020 issued by M/s O3 Capital Global Advisory Private Limited, a SEBI registered Category I

merchant banker ("**Fairness Opinion**"), in respect of the proposed Scheme, were placed before the respective Boards, and based on the Report submitted by their respective Audit Committees *(as applicable)*, the Board of Directors of the Transferor Company 1, Transferor Company 2, and Transferee Company approved the Scheme of Amalgamation at their respective meetings held on August 18, 2020.

29. The modified Scheme, pursuant to the observations of SEBI and stock Exchanges, were adopted by the Boards of Transferor Company 1 and Transferor Company 2, at their respective meetings held on May 22, 2021, and adopted by the Transferee Company at the meeting of its Board constituted Committee held on May 25, 2021.

30. The Board of the Transferor Company 1, Transferor Company 2 and Transferee Company, based on the aforesaid documents amongst others, unanimously approved the Scheme at their respective meetings.

31. The details of the Directors of each of the Parties, present at respective meetings, who voted in favour of the resolution approving the Scheme, voted against the resolution on the Scheme and who did not vote or participate are as under:

**a. Amalgamating Company 1:**

| Name of Director | DIN | Voted in favour | Voted against | Did not vote/ abstained |
|---|---|---|---|---|
| Mr. Pandithacholanallur Ramakrishnan Rajagopalan | 00055416 | Yes | NA | NA |
| Mr. Rajesh Ramchand Bajaj | 00738227 | Yes | NA | NA |
| Mr. Karan Virwani | 03071954 | Yes | NA | NA |
| Mr. Aditya Virwani | 06480521 | Yes | NA | NA |

**b. Amalgamating Company 2:**

| Name of Director | DIN | Voted in favour | Voted against | Did not vote/ abstained |
|---|---|---|---|---|
| Mr. Narpat Singh Choraria | 00027580 | Yes | NA | NA |
| Ms. Shaina Ganapathy | 01777973 | Yes | NA | NA |

**c. Amalgamated / Transferee Company**

| Name of Director | DIN | Voted in favour | Voted against | Did not vote/ abstained |
|---|---|---|---|---|
| Mr. Narendra Gehlaut | 01246303 | Yes | NA | NA |
| Mr. Gurbans Singh | 06667127 | Yes | NA | NA |
| Mr. Vishal Damani | 00358082 | Yes | NA | NA |
| Justice Gyan Sudha Misra | 07577265 | Yes | NA | NA |
| Mr. Shamsher Singh Ahlawat | 00017480 | Yes | NA | NA |
| Mr. Praveen Kumar Tripathi | 02167497 | Yes | NA | NA |
| Mr. Gurinder Singh | 08183046 | Yes | NA | NA |

**Approvals and actions taken in relation to the Scheme**

32. BSE Limited was appointed as the Designated Stock Exchange by the Transferee Company for the purpose of coordinating with SEBI for obtaining approval of SEBI in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

33. As required by the SEBI Circular, the Transferee Company had filed its no complaints report with BSE and NSE, on December 14, 2020 and February 4, 2021, respectively. These reports indicate that the Transferee Company received no complaints from the stakeholders with respect to the Scheme.

34. The Transferee Company received observations/no-objection letter regarding the Scheme from BSE and NSE dated February 19, 2021 and February 23, 2021 respectively, conveying their no adverse observations/no-objection for filing the Scheme with NCLT, which, *inter alia*, stated the following:

    *(a) The Company shall ensure that applicable information pertaining unlisted NAM Estates Private Limited and Embassy One Commercial Property Developments Private Limited is included in the abridged prospectus as per the format specified in the circular.*

    *(b) The Company shall ensure that additional information/ undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.*

    *(c) The Company shall duly comply with various provisions of the Circular.*

    *(d) The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*

    *(e) The Company is advised that the observations of SEBI/Stock Exchanges and undertakings submitted by the Company after filing the scheme with Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the them to the notice of NCLT.*

    *(f) It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observation/ representations.*

35. The Transferee Company would obtain further approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, whereso required

36. The Transferee Company filed CA (CAA) No. 35/CHD/HRY of 2021 along with annexures thereto which includes the Scheme, with the Chandigarh Bench of NCLT on August 16, 2021 (e-filing was made on August 16, 2021, followed by physical filing on August 17, 2021). The Order and the Scheme have also been filed with the concerned Registrar of Companies on December 30, 2021 by the Amalgamated Company.

37. The Transferor Company 1 and Transferor Company 2 filed CA (CAA) No. 48/BB/ 2021 along with annexures thereto which includes the Scheme, with the Bengaluru Bench of NCLT on August 13, 2021 (e-filing was made on August 13, 2021, followed by physical filing on August 17, 2021).

**Salient features of the Scheme**

38. The Salient features of the draft Scheme are as under:

    (a) The Scheme envisages the amalgamation of the Amalgamating Company 1 with the Applicant/ Amalgamated Company. From the Appointed Date 1 (as defined in the Scheme) the Amalgamating Company 1 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein. Thereafter, the Scheme envisages the amalgamation of the Amalgamating Company 2 with the Applicant Amalgamated Company. With effect from the Appointed Date 2 (as defined in the Scheme), the Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.

(b) The proposed amalgamation under the Scheme will achieve the following:

i. ensuring that the Amalgamated Company has a pan India presence across key markets and has diversification across real estate asset classes (commercial and residential);
ii. enabling consolidation of the business and operations of the Amalgamating Companies and the Amalgamated Company providing impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies and enable optimal utilization of various resources as a result of pooling of financial, managerial, technical and human resources, thereby creating a stronger base for future growth and accretion of shareholder value;
iii. rationalising and streamlining the management structure of the consolidated business operations and pooling of human talent in terms of manpower, administration and marketing which will result in savings in the operation costs and optimum utilization of assets;
iv. greater efficiency in 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 and greater opportunities to secure investments from a new set of financial investors and will enhance the Amalgamated Company’s ability to raise further capital from the financial markets;
v. enabling the Amalgamated Company to provide better services and facilities to its customers and suppliers; and
vi. enhancing the shareholder’s value accruing from consolidation of business operations resulting in economies of scale, improving allocation of capital and optimizing cash flows, thus, contributing to the overall growth prospects of the Amalgamated Company.

(c) The Scheme provides that upon the same becoming effective and with effect from the Appointed Date(s), all the assets and liabilities (including certain assets which may not be with the Amalgamating Companies as of date and which will be brought into the Amalgamating Companies on or before the Scheme becoming effective) and entire business of the Amalgamating Companies shall stand transferred to and vested in the Applicant. It is further provided in the Scheme that upon the same becoming effective and with effect from the Appointed Date(s):

i. all immovable properties of the Amalgamating Companies shall be vested in the Amalgamated Company;
ii. all the assets of the Amalgamating Companies as are movable in nature or are otherwise capable of being transferred by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recording, including without limitation equipment, furniture and fixtures, shall stand vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company;
iii. all debts, borrowings, liabilities, contingent liabilities, duties and obligations, secured or unsecured, relating to the Amalgamating Companies, including without limitation all liabilities owed by the Amalgamating Companies whether provided for or not in the books of accounts or disclosed in the balance sheet, shall stand transferred to and vested in the Amalgamated Company;

iv. all contracts, agreements, arrangements etc. for the purpose of carrying on the business of the Amalgamating Companies shall be and remaining in full force and effect on, against or in favour of the Amalgamated Company;

v. all legal proceedings relating to the Amalgamating Companies shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been prosecuted by or against the Amalgamating Companies; and

vi. all employees who are on the payroll of the Amalgamating Companies shall become the employees of the Amalgamated Company on terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamated Company.

(d) Upon the Scheme becoming effective and as consideration for the Scheme, the Amalgamated Company/Applicant shall, without any further act or deed and without any further payment, basis the Share Exchange Report, issue and allot to the shareholders of Amalgamating Company 1 (whose name is recorded in the register of members of the Amalgamating Company 1 as holding equity shares on the Record Date 1 as determined in the Scheme) such number of equity shares in the Amalgamated Company in the following manner, each free and clear of all encumbrances, validly issued and fully paid-up:

"*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*"

(e) Upon the Scheme becoming effective and as consideration for the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Exchange Report, issue and allot to the shareholders of Amalgamating Company 2 (whose name is recorded in the register of members of the Amalgamating Company 2 as holding equity shares on the Record Date 2 as determined in the Scheme) such number of equity shares in the Amalgamated Company in the following manner, each free and clear of all encumbrances, validly issued and fully paid-up:

"*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*"

(f) The Scheme provides that the Applicant and the Amalgamating Companies will be accounted for in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combinations) as notified under Section 133 of the 2013 Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

**You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. Theaforesaid are only some of the salient extracts thereof.**

**Valuation and accounting treatment**

39. The transactions as proposed in the Scheme shall be accounted for in accordance with the accounting standards prescribed under Section 133 of the Act. The certificates issued in this regard are will be open for inspection at the registered office of each of the Companies.

**Effect of the Scheme on various parties**

40. The effect of the proposed Scheme on the stakeholders of the Amalgamating Company 1 would be as follows:

a. Shareholders (including promoter and non-promoter)

(i) The Scheme provides for the following:

*i. amalgamation of Amalgamating Company 1 with and into Amalgamated Company;*
*ii. amalgamation of Amalgamating Company 2 with and into Amalgamated Company; and*
*iii. Various others matters consequentially and integrally connected to the Scheme.*

(ii) As consideration for amalgamation of Amalgamating Company 1 and Amalgamating Company 2 with and into Amalgamated Company, Amalgamated Company shall, without any further act or deed and without any further payment, basis the following exchange ratio, issue and allot shares to the shareholders of Amalgamating Company 1 and Amalgamating Company 2 respectively:

**Amalgamation of Amalgamating Company 1 with IBREL:**

*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*

**Amalgamation of Amalgamating Company 2 with IBREL:**

*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*

(iii) The share exchange ratio is based on the valuation reports and the valuation reports have been duly considered by the Board which has come to the conclusion that the share exchange ratio provided in the Scheme is fair and reasonable.

(iv) The equity shares issued by Amalgamated Company to the shareholders of Amalgamating Company 1 and Amalgamating Company 2, pursuant to the Scheme, will be listed on BSE Limited and the National Stock Exchange of India Limited.

(v) Upon the amalgamation of Amalgamating Company 1 and Amalgamating Company 2 into and with Amalgamated Company, Amalgamating Company 1 and Amalgamating Company 2 shall stand dissolved without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

b. Effect of the Scheme on the Directors and Key Managerial Personnel

Upon Part III of the Scheme coming into effect, Amalgamating Company 1 shall, without any further act or deed, stand dissolved without being wound up. In these circumstances, the directors and key managerial personnel of Amalgamating Company 1 will cease to be the directors and key managerial personnel of Amalgamating Company 1 respectively.

c. Effect of the Scheme on Creditors

Upon amalgamation of Amalgamating Company 1 with and into Amalgamated Company coming into effect, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including contingent / potential tax liabilities of Amalgamating Company 1 shall, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of Amalgamated Company.

Under the Scheme, there is no compromise or arrangement with the creditors of Amalgamating Company 1. Upon Part III of the Scheme coming into effect, the creditors of Amalgamating Company 1 shall become the creditors of Amalgamated Company. The liability of Amalgamating Company 1 towards its creditors is neither being extinguished or reduced under the Scheme.

d. Effect of the Scheme on the Depositors / Deposit Trustee

As on date, the Amalgamating Company 1 does not have any outstanding public deposits and therefore, the question of the Scheme having any effect on such depositors and deposit trustee does not arise.

e. Effect of the Scheme on the Debenture holders / Debenture Trustee

Currently, the Non-Convertible Debentures ("NCDs") issued by the Amalgamating Company 1 are listed on BSE Limited. The rights of the debenture holders shall not be affected by the amalgamation of Amalgamating Company 1 into and with Amalgamated Company, pursuant to the Scheme. Consequent upon the amalgamation of Amalgamating Company 1 into and with Amalgamated Company, and subject to regulatory approval if any, all the listed NCDs of Amalgamating Company 1 shall vest in Amalgamated Company on same terms and conditions, as if it were the issuer of the NCDs. Subject to the requirements, if any, by BSE Limited, the NCDs which stand transferred to Amalgamated Company pursuant to the Scheme shall be listed and / or admitted to trading on the BSE Limited, where the NCDs are currently listed.

f. Effect of the Scheme on the employees of the Company

Upon the amalgamation of Amalgamating Company 1 into and with Amalgamated Company coming into effect, all employees of Amalgamating Company 1 shall be deemed to have become the employees of Amalgamated Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as applicable to them with reference to Amalgamating Company 1, on the Effective Date 1. The services of such employees with Amalgamating Company 1 up to the Effective Date 1 shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of employees' provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees. In these circumstances, the rights of the employees of Amalgamating Company 1 would in no way be affected by the Scheme.

g. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel of the Company

The directors and key managerial personnel of Amalgamating Company 1 may be deemed to be concerned / interested in the Scheme only to the extent of their shareholding in the companies forming part of the Scheme and / or to the extent the directors are common directors in the said companies and / or to the extent the said directors or key managerial personnel are partners, directors, members of the companies, firms, association of persons, body corporate and / or beneficiary of trust, who hold shares in any of the said companies.

41. The effect of the proposed Scheme on the stakeholders of the Amalgamating Company 2 would be as follows:

a. Effect of the Scheme on the Promoter and Non-Promoter Shareholders

The Scheme provides for the following:

i. *amalgamation of Amalgamating Company 1 with and into Amalgamated Company;*
ii. *amalgamation of Amalgamating Company 2 with and into Amalgamated Company; and*
iii. *various others matters consequentially and integrally connected to the Scheme.*

b. As consideration for amalgamation of Amalgamating Company 1 and Amalgamating Company 2 with and into Amalgamated Company, Amalgamated Company shall, without any further act or deed and without any further payment, basis the following exchange ratio, issue and allot shares to the shareholders of Amalgamating Company 1 and Amalgamating Company 2 respectively:

**Amalgamation of Amalgamating Company 1 with Amalgamated Company:**

*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*

**Amalgamation of Amalgamating Company 2 with Amalgamated Company:**

*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*

c. The share exchange ratio is based on the valuation reports and the valuation reports have been duly considered by the Board which has come to the conclusion that the share exchange ratio provided in the Scheme is fair and reasonable.

d. The equity shares issued by Amalgamated Company to the shareholders of Amalgamating Company 1 and Amalgamating Company 2, pursuant to the Scheme, will be listed on BSE Limited and the National Stock Exchange of India Limited.

e. Upon the amalgamation of Amalgamating Company 1 and Amalgamating Company 2 into and with Amalgamated Company, Amalgamating Company 1 and Amalgamating Company 2 shall stand dissolved without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

f. <u>Effect of the Scheme on the Directors and Key Managerial Personnel</u>

Upon Part IV of the Scheme coming into effect, Amalgamating Company 2 shall, without any further act or deed, stand dissolved without being wound up. In these circumstances, the directors and key managerial personnel of Amalgamating Company 2 will cease to be the directors and key managerial personnel of Amalgamating Company 2 respectively.

g. <u>Effect of the Scheme on Creditors</u>

Upon amalgamation of Amalgamating Company 2 with and into Amalgamated Company coming into effect, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including contingent / potential tax liabilities of Amalgamating Company 2 shall, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of Amalgamated Company.

Under the Scheme, there is no compromise or arrangement with the creditors of Amalgamating Company 2. Upon Part IV of the Scheme coming into effect, the creditors of Amalgamating Company 2 shall become the creditors of Amalgamated Company. The liability of Amalgamating Company 2 towards its creditors is neither being extinguished or reduced under the Scheme.

h. <u>Effect of the Scheme on the Depositors / Deposit Trustee</u>

As on date, the Company does not have any outstanding public deposits and therefore, the question of the Scheme having any effect on such depositors and deposit trustee does not arise.

i. <u>Effect of the Scheme on the Debenture holders / Debenture Trustee</u>

As on date, the Company does not have any outstanding debentures and therefore, the question of the Scheme having any effect on such debenture holders and debenture trustee does not arise.

j. <u>Effect of the Scheme on the employees of the Company</u>

Upon the amalgamation of Amalgamating Company 2 into and with Amalgamated Company coming into effect, all employees of Amalgamating Company 2 shall be deemed to have become the employees of Amalgamated Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as applicable to them with reference to Amalgamating Company 2, on the Effective Date 2. The services of such employees with Amalgamating Company 2 up to the Effective Date 2 shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of employees' provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees. In these circumstances, the rights of the employees of Amalgamating Company 2 would in no way be affected by the Scheme.

k. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel of the Company

The directors and key managerial personnel of Amalgamating Company 2 may be deemed to be concerned / interested in the Scheme only to the extent of their shareholding in the companies forming part of the Scheme and / or to the extent the directors are common directors in the said companies and / or to the extent the said directors or key managerial personnel are partners, directors, members of the companies, firms, association of persons, body corporate and / or beneficiary of trust, who hold shares in any of the said companies.

42. The effect of the proposed Scheme on the stakeholders of the Amalgamated / Transferee Company would be as follows:

(a) Shareholders (including promoter and non-promoter)

The shareholding of the existing shareholders of the Amalgamated Company/Transferee Company will be diluted to the extent shares would be allotted in the Amalgamated Company upon effectiveness of Scheme, to the shareholders of the Amalgamating Company 1 and Amalgamating Company 2 respectively, in the following ratios:

(i) As consideration for amalgamation of Amalgamating Company 1 and Amalgamating Company 2 with and into Amalgamated Company, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the following exchange ratio, issue and allot shares to the shareholders of Amalgamating Company 1 and Amalgamating Company 2 respectively:

**Amalgamation of Amalgamating Company 1 with Amalgamated Company:**

*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*

**Amalgamation of Amalgamating Company 2 with Amalgamated Company:**

*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*

(ii) Upon the amalgamation of Amalgamating Companies with the Amalgamated Company, Amalgamating Companies shall stand dissolved without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

(iii) The Promoters and Promoter group of the Company, being eligible for reclassification as 'public' shareholders, in compliance with the conditions set out in regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") and other applicable laws, vide their request letter dated January 1, 2022, have sought reclassification from 'Promoter and Promoter Group' category to 'Public' category. The Company shall take appropriate steps for securing approval of shareholders and Stock Exchanges in terms of

Regulation 31A of Listing Regulations, and after receipt of necessary approvals the Promoters would get depromoterised and will be categorized as ‘Public’ shareholders. The promoters of the Amalgamating Company 1 as of the Record Date 1 (including the Embassy Swap Shareholder, and/or any the NAM Promoters pursuant to Clause 5.5 of the Scheme) shall, together with the Amalgamated Company’s Promoters, if any, shall also be classified as ‘promoter and promoter group’ of the Amalgamated Company (as defined under the ICDR)

(b) Creditors

Upon amalgamation of the Amalgamating Companies with the Amalgamated Company, no rights of the existing creditors of the Amalgamated Company are being affected pursuant to the Scheme. The liability towards the existing creditors of the Amalgamated Company is neither being reduced nor being extinguished in any manner.

Upon amalgamation of Amalgamating Companies with the Amalgamated Company, and Part III & IV of the Scheme coming into effect, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including contingent / potential tax liabilities of Amalgamating Companies shall, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of Amalgamated Company. Under the Scheme, there is no compromise or arrangement with the creditors of Amalgamating Companies. The liability of Amalgamating Companies towards their respective creditors is neither being extinguished nor reduced under the Scheme.

(c) Depositors / Deposit Trustee

As on date, the Company does not have any outstanding public deposits and therefore, the question of the Scheme having any effect on such depositors and deposit trustee does not arise.

(d) Debenture holders / Debenture Trustee

Currently, the Non-Convertible Debentures (“NCDs”) issued by the Amalgamated Company are listed on BSE Limited. The rights of the debenture holders shall not be affected by the amalgamation of Amalgamating Companies with the Amalgamated Company, pursuant to the Scheme.

Consequent upon the amalgamation of Amalgamating Companies into and with Amalgamated Company, subject to regulatory approval, if any, the NCDs of Amalgamating Companies, if any, shall vest in Amalgamated Company on same terms and conditions, as if it were the issuer of the NCDs. In the event, NCDs of Amalgamating Companies are listed at stock exchange(s), subject to the requirements and approval(s), if any, of stock exchange(s), the NCDs, which stand transferred to Amalgamated Company, pursuant to the Scheme, shall be listed and / or admitted to trading on same stock exchange(s).

(e) Employees, Directors and Key Managerial Personnel

There will be no adverse effect of the Scheme on the Employees, Key Managerial Personnel and/or the Directors of the Amalgamated Company. The directors and key managerial personnel of the Amalgamated Company may be deemed to be concerned / interested in the Scheme only to the extent of their shareholding in the Amalgamated Company.

Upon the amalgamation of Amalgamating Companies with the Amalgamated Company coming into effect, all employees of Amalgamating Companies shall be deemed to have become the employees of Amalgamated Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as applicable to them with reference to Amalgamating Company 1 & Amalgamating Company 2, on the Effective Date(s) 1 & 2 respectively. The services of such employees with Amalgamating Companies up to the Effective Date(s) 1 & 2 respectively, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of employees’ provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees. In these circumstances, the rights of the employees of Amalgamating Companies would in no way be affected by the Scheme. Upon Part III & IV of the Scheme coming into effect, Amalgamating Companies shall, without any further act or deed, stand dissolved respectively without being wound up. In these circumstances, the directors and key managerial personnel of Amalgamating Companies will cease to be the directors and key managerial personnel of Amalgamating Companies respectively.

43. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company 1 and Transferor Company 2, at their respective meetings, held on May 22, 2021, and Board of Directors of the Applicant/Transferee Company, at its meeting, held on August 18 2020, had adopted a report respectively, *inter alia*, explaining the effect of the Scheme on its shareholders and key managerial personnel amongst others.

**Other matters in connection with Amalgamating Company 1, Amalgamating Company 2, and the Applicant/ Amalgamated/ Transferee Company**

44. No investigation proceedings have been instituted or are pending in relation to Amalgamating Companies and Amalgamated Company, under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.

45. To the knowledge of each of the Amalgamating Companies and Amalgamated Company, no winding up proceedings have been filed or pending against any of the above entities under the Act or the corresponding provisions of the Companies Act, 1956.

46. To the knowledge of each of the Amalgamating Companies and Amalgamated Company, no winding up proceedings have been filed or pending against any of the above entities under the Insolvency & Bankruptcy Code, 2016.

47. There is no investigation or other proceedings pending against any of the Amalgamating Companies and Amalgamated Company, which have a material bearing effect on the aspect of sanction of the Scheme by the NCLT.

48. There is no capital reduction, capital restructuring or debt restructuring with respect to any of the Amalgamating Companies or Amalgamated Company is being undertaken pursuant to this Scheme, however, in terms of the Scheme, upon the Scheme becoming effective, the entire authorized share capital of the Amalgamating Company 1 and Amalgamating Company 2 respectively, shall stand transferred/added to the authorized share capital of the Amalgamated Company without any further act or deed.

49. Details of deposits or debentures:

(i) The Amalgamating Company 1 have not accepted any deposits, however, presently has the following two classes of debentures issued viz., non-convertible debentures, which are listed on WDM segment of BSE Limited and Un-listed optionally convertible debentures. The rights of the debenture holders shall not be affected under the Scheme of Amalgamation.

(ii) Presently, the Amalgamating Company 2 do not have any outstanding public deposits/Debentures.

(iii) As on July 30, 2021 the Amalgamated Company, Indiabulls Real Estate Limited have not accepted any deposits, however, had issued 2,750 Secured, Redeemable, Non-Convertible Debentures of Rs. 10 Lac each, which are listed on WDM segment of BSE Limited.

50. Amount due to unsecured creditors is as follows:

(i) As on August 10, 2021, the amount due to unsecured creditors of Amalgamating Company 1 was Rs. 18,49,59,67,923/-.
(ii) As on August 10, 2021, the amount due to unsecured creditors of Amalgamating Company 2 was Rs. 1,31,42,922/-.

(iii) As on July 31, 2021, the amount due to unsecured creditors of Amalgamated Company was Rs.128,59,95,000/-.

51. The pre-Scheme shareholding pattern as on date; the proposed post-Scheme shareholding pattern of the Amalgamated Company /Transferee Company are as follows:

**The Pre-Scheme shareholding pattern of the Amalgamated /Transferee Company as on December 31, 2021:**

| Sr. No. | Category | No. of fully paid-up equity shares held | Shareholding as a % of total no. of shares |
|---|---|---|---|
| **(A)** | **Promoter and Promoter Group#** | | |
| (1) | **Indian** | | |
| | (a) Individuals/Hindu Undivided Family | 1,200,000 | 0.26 |
| | (b) Body Corporate | | |
| | **Sub-Total (A)(1)** | **1,200,000** | **0.26** |
| **(2)** | **Foreign** | | |
| (a) | Body Corporate | 0 | 0.00 |
| | **Sub-Total (A)(2)** | **0** | **0.00** |
| | **Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2) #** | **1,200,000#** | **0.26#** |
| **(B)** | **Public Shareholding** | | |
| (1) | Institutions | 0 | 0.00 |
| | Mutual Funds | 18,140,060 | 3.98 |
| | Foreign Portfolio Investors | 90,590,534 | 19.86 |
| | Financial Institutions/Banks | 636 | 0.00 |
| | Insurance Companies | 0 | 0.00 |
| | Alternate Investment Funds | 338,492 | 0.07 |
| | **Sub Total (B)(1)** | **109,069,722** | **23.91** |
| (2) | Central Government/State Government(s)/President of India | 0 | 0.00 |
| | **Sub Total (B)(2)** | **0** | **0.00** |
| (3) | Non-Institutions | | |
| (a) | i. Individual shareholders holding nominal share capital upto Rs. 2 lakhs | 138,239,228 | 30.31 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs | 67,679,836 | 14.84 |
| (b) | NBFCs Registered with RBI | 50,087 | 0.01 |
| (c) | Overseas Depositories (Holding GDRs) | 0 | 0.00 |
| (d) | Any Other: | | |

| Sr. No. | Category | No. of fully paid-up equity shares held | Shareholding as a % of total no. of shares |
|---|---|---|---|
| | Overseas Corporate Bodies | 0 | 0.00 |
| | Non Resident Indians | 6,736,702 | 1.48 |
| | Clearing Members | 3,348,270 | 0.73 |
| | Bodies Corporate | 113,886,663 | 24.97 |
| | IEPF | 296,218 | 0.06 |
| | HUF | 12,091,462 | 2.65 |
| | **Sub Total (B)(3)** | **342,328,466** | **75.05** |
| | **Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)** | **451,398,188** | **98.97** |
| **(C)** | **Non Promoter-Non Public Shareholding** | | |
| (1) | Custodian/DR Holder (GDRs) | 392,544 | 0.09 |
| (2) | Employee Benefit Trust | 3,125,164 | 0.69 |
| | **Total Non-Promoter Non-Public Shareholding(C)** | **3,517,708** | **0.77** |
| | **Total Shareholding (A+B+C)** | **456,115,896** | **100.00** |

*# The Promoters and Promoter group of the Company, being eligible for reclassification as 'public' shareholders, in compliance with the conditions set out in regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") and other applicable laws, vide their request letter dated January 1, 2022, have sought reclassification from 'Promoter and Promoter Group' category to 'Public' category, and after receipt of necessary approvals the Promoters would get depromoterised and will be categorized as 'Public' shareholders. Pls refer Note# to Para 22.*

**The proposed Post-Scheme shareholding pattern of the Amalgamated /Transferee Company # #**

| Sr. No. | Category | No. of fully paid-up equity shares held | Shareholding as a % of total no. of shares |
|---|---|---|---|
| **(A)** | **Promoter and Promoter Group** | | |
| (1) | **Indian** | | |
| | (a) Individuals/Hindu Undivided Family | 21,387,895 | 1.96 |
| | (b) Body Corporate | 467,700,682 | 42.93 |
| | **Sub-Total (A)(1)** | **489,088,577** | **44.89** |
| **(2)** | **Foreign** | | |
| (a) | Body Corporate | 0 | 0.00 |
| | **Sub-Total (A)(2)** | **0** | **0.00** |
| | **Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)** | **489,088,577** | **44.89** |

| Sr. No. | Category | No. of fully paid-up equity shares held | Shareholding as a % of total no. of shares |
|---|---|---|---|
| **(B)** | **Public Shareholding** | | |
| (1) | Institutions | 0 | 0.00 |
| | Mutual Funds | 18,140,060 | 1.67 |
| | Foreign Portfolio Investors | 90,590,534 | 8.31 |
| | Financial Institutions/Banks | 636 | 0.00 |
| | Insurance Companies | 0 | 0.00 |
| | Alternate Investment Funds | 338,492 | 0.03 |
| | **Sub Total (B)(1)** | **109,069,722** | **10.01** |
| (2) | Central Government/State Government(s)/President ofIndia | 0 | 0.00 |
| | **Sub Total (B)(2)** | **0** | **0.00** |
| (3) | Non-Institutions | | |
| (a) | i. Individual shareholders holding nominal sharecapital upto Rs. 2 lakhs | 138,239,228 | 12.69 |
| | ii. Individual shareholders holding nominal sharecapital in excess of Rs. 2 lakhs | 68,879,836 | 6.32 |
| (b) | NBFCs Registered with RBI | 50,087 | 0.00 |
| (c) | Overseas Depositories (Holding GDRs) | 0 | 0.00 |
| (d) | Any Other: | | |
| | Overseas Corporate Bodies | 0 | 0.00 |
| | Non Resident Indians | 6,736,702 | 0.62 |
| | Clearing Members | 3,348,270 | 0.31 |
| | Bodies Corporate | 258,169,805 | 23.70 |
| | IEPF | 296,218 | 0.03 |
| | HUF | 12,091,462 | 1.11 |
| | **Sub Total (B)(3)** | **487,811,608** | **44.77** |
| | **Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)** | **596,881,330** | **54.79** |
| **(C)** | **Non Promoter-Non Public Shareholding** | | |
| (1) | Custodian/DR Holder (GDRs) | 392,544 | 0.04 |
| (2) | Employee Benefit Trust | 3,125,164 | 0.29 |
| | **Total Non-Promoter Non-Public Shareholding(C)** | **3,517,708** | **0.32** |
| | **Total Shareholding (A+B+C)** | **1,089,487,615** | **100.00** |

## **Notes:**

a. *the computation is basis the disclosures made under the Scheme (vide clause 9.4, cancellation of shares, pursuant to clause 20A and clause 11 of the Scheme and other related clauses) and assuming that there is no further/any other* *change in pre-scheme shareholding pattern of the Company, as given hereinabove, except - (i) issuance of shares, pursuant to Scheme, (ii) Embassy Swap Shareholder, and/or any the NAM Promoters, pursuant to Clause 5.5 and 9.4 of the Scheme, shall be classified as 'Promoter and Promoter group' of the Amalgamated Company, & (iii) reclassification of existing Promoters' shareholding in the Company as public Shareholding.*

b. *However, since the Company is a listed entity and the equity shares of the Company are frequently traded on NSE and BSE, the number of shareholders and their inter-se shareholding is likely to change post effectiveness of the Scheme. Further, subject to necessary approval(s) including the approval from Company's shareholders, there may be any other change(s) in the Company's share capital and shareholding pattern, consequent to any issuance of equity shares and/or convertible securities, upto an aggregate of Rs 1500 Crore, as approved and authorized by Company's Board of Directors on December 22, 2021.*

52. **The Pre-Amalgamation shareholding pattern of the Amalgamating Company 1 as on December 31, 2021:**

| **Sr. No.** | **Name of Shareholder** | **No. of fully paid up equity shares held** | **Shareholding as a % of total no. of shares** |
|---|---|---|---|
| 1. | Embassy Property Developments Private Limited | 70,001 | 0.02 |
| 2. | Embassy Property Developments Private Limited jointly with Mr. Jitendra Virwani | 1 | 0.00 |
| 3. | JV Holding Private Limited | 36,74,28,509 | 91.90 |
| 4. | Mr. Karan Virwani | 1,02,50,000 | 2.56 |
| 5. | Mr. Aditya Virwani | 1,02,50,000 | 2.56 |
| 6. | Mr. Neel Virwani | 1,02,50,000 | 2.56 |
| 7. | Mr. Jitendra Virwani | 15,62,256 | 0.39 |
| 8. | Mr. Jitendra Virwani jointly with Mrs. Vasundhara Harshavardhan | 156 | 0.00 |
| 9. | Mr. Jitendra Virwani jointly with Mr. Karan Virwani | 156 | 0.00 |
| 10. | Mr. Jitendra Virwani jointly with Mr. Aditya Virwani | 156 | 0.00 |
| 11. | Mr. Jitendra Virwani jointly with Mr. Narpat Singh Choraria | 156 | 0.00 |
| | **Total** | **39,98,11,391** | **100.00** |

The Amalgamating Company 1 shall stand dissolved once the Scheme becomes effective.

53. **The Pre-Amalgamation shareholding pattern of the Amalgamating Company 2 as on December 31, 2021:**

| **Sr. No.** | **Name of Shareholder** | **No. of fully paid up equity shares held** | **Shareholding as a % of total no. of shares** |
|---|---|---|---|
| 1. | NAM Estates Private Limited | 9,999 | 100.00 |
| 2. | NAM Estates Private Limited jointly with Mr. Jitendra Virwani | 1 | 0.00 |
| | **Total** | **10,000** | **100.00** |

The Amalgamating Company 2 shall stand dissolved once the Scheme becomes effective.

54. **The proposed Post-Arrangement Capital Structure of the Amalgamated Company/Transferee Company**

| Particulars | Amount (INR in Crores) |
|---|---|
| **Authorized Capital** | |
| 6,15,96,00,000 equity shares of Rs 2 each | 1,231.92 |
| 36,40,00,000 Preference Shares of Rs 10 each | 364.00 |
| **Total** | **1,595.92** |
| **Issued, Subscribed and Paid up Share Capital** | |
| 1,08,94,87,615 equity shares of Rs 2 each | 217.90 |
| **Total** | **217.90** |

55. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

56. The following documents will be available for inspection and for making copies by the members of the Applicant/Transferee Company in the manner as set out in the Notice accompanying this Statement. Further, the following documents will also be open for inspection by the members of the Applicant /Transferee Company (as set out in the table at Paragraph 1 above) at the registered office at Gurugram, between 10:30 AM to 05:30 PM on all working days up to the date of the Transferee Company's meeting:

(a) Copy of the order dated December 23, 2021 passed by the NCLT in CA (CAA) No. 35/CHD/HRY OF 2021;

(b) Copy of CA (CAA) No. 35/CHD/HRY OF 2021 along with annexures filed by the Applicant Company before the NCLT;

(c) Copy of the Memorandum and Articles of Association of the Parties;

(d) Copy of the audited accounts of the Parties, for the financial year ended March 31, 2021;

(e) Copy of the Unaudited Balance Sheet/ Management Accounts of the Transferor Companies made up to September 30, 2021;

(f) Copy of the Unaudited Financial Results, for the year ended September 30, 2021 of Transferee Company as filed with the BSE and NSE;

(g) Copy of the Register of Directors' shareholding of the Amalgamated Company;

(h) Copy of the Valuation Reports dated August 18, 2020 issued by M/s N S Kumar & Co. (independent Chartered Accountant), Mr. Niranjan Kumar (Registered Valuer) and BDO Valuation Advisory LLP (Registered Valuer);

(i) Copy of the Fairness Opinion dated August 18, 2020 issued by M/s O3 Capital Global Advisory Private Limited, a SEBI registered Category I merchant banker;

(j) Copy of the Audit Committee Report of the Parties (as applicable);

(k) Copy of the resolutions passed by the Board of Directors of the Parties, respectively, approving the Scheme;

(l) Copies of the Statutory Auditors' certificate dated August 18, 2021 issued by M/s Agarwal Prakash & Co., Statutory Auditors of Transferee Company;

(m) Copy of the no complaints report, dated December 14, 2020 and February 4, 2021, submitted by the Transferee Company to BSE and NSE;

(n) Copy of the no adverse observations/no-objection letter issued by BSE and NSE, dated February 19, 2021 and February 23, 2021 respectively, to the Applicant / Transferee Company;

(o) Copy of Form No. GNL-1 filed by Applicant Company with the concerned Registrar of Companies, along with the challan, evidencing filing of the Scheme and the Order;

(p) Copy of the Scheme; and

(q) Copy of the Reports adopted by the Board of Directors of the Parties, respectively, pursuant to the provisions of section 232(2)(c) of the Act.

The Equity Shareholders of the Applicant / Transferee Company shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed above.

57. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. Hard copies of the Particulars as defined in this Notice can be obtained free of charge within 1 (one) working day on a requisition being so made for the same by the Equity Shareholders of the Applicant / Transferee Company at the registered office of the Applicant / Transferee Company.

58. After the Scheme is approved, by the relevant Equity Shareholders of the Applicant / Transferee Company, it will be subject to the approval/sanction by NCLT or any other statutory or regulatory authorities as may be applicable.

For **Indiabulls Real Estate Limited**
Sd/-
Ravi Telkar
Company Secretary
(Membership No. A13967)

Dated this $5^{th}$ day of January, 2022
Registered office: Plot No.448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana, India

**SCHEME OF AMALGAMATION**

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

**BETWEEN**

| | |
|---|---|
| **NAM ESTATES PRIVATE LIMITED:** | **AMALGAMATING COMPANY 1** |
| **AND** | |
| **EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED:** | **AMALGAMATING COMPANY 2** |
| **AND** | |
| **INDIABULLS REAL ESTATE LIMITED:** | **AMALGAMATED COMPANY** |

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

## PART I

## INTRODUCTION, DEFINITIONS AND INTERPRETATION

### 1. INTRODUCTION, DEFINITIONS AND INTERPRETATION

1.1 **Preamble**

This Scheme of Amalgamation ("**Scheme**") is under the provisions of Sections 230 to 232 and other relevant provisions of the 2013 Act (*as defined hereinafter*), for amalgamation of the Amalgamating Companies (*as defined hereinafter*) with and into the Amalgamated Company (*as defined hereinafter*) including: (a) transfer of the entire authorized share capital of the Amalgamating Companies to the Amalgamated Company; and (b) dissolution without winding up of the Amalgamating Companies, pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the 2013 Act and the relevant provisions of this Scheme.

In addition, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

1.1.1 The Scheme is divided into five parts:

(i) **Part I** sets forth the Introduction, Definitions and Interpretation;

(ii) **Part II** sets forth the capital structure of the Amalgamating Companies and the capital structure of the Amalgamated Company;

(iii) **Part III** deals with the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company, in accordance with Sections 230 to 232 and other relevant provisions of the 2013 Act, as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company;

(iv) **Part IV** deals with the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company, in accordance with Sections 230 to 232 and other relevant provisions of the 2013 Act, as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company; and

(v) **Part V** deals with general/residuary terms and conditions.

1.2 **Introduction**

1.2.1 **NAM ESTATES PRIVATE LIMITED**

(i) NAM Estates Private Limited (hereinafter referred to as "**NEPL**" or "**Amalgamating Company 1**") having CIN U85110KA1995PTC017950 is a company incorporated as a private limited company under the 1956 Act (*as defined* *hereinafter*) on June 2, 1995 *vide* certificate of incorporation issued by the Registrar of Companies, Bangalore. Amalgamating Company 1 currently has its registered office at 1st Floor, Embassy Point, 150, Infantry Road Bangalore, Infantry Road, Bangalore, 560052

(ii) The main objects of the Amalgamating Company 1 as per its memorandum of association are as follows:

*To carry on all or any other business of designing, planning, managing, developing and / or construction of apartments, houses, factories, godowns, warehouses, hotels, farm houses, health clubs, holiday resorts, club house, industrial sheds, housing colonies, factory buildings, public buildings, multistoreyed buildings, schools, colleges, community halls, shopping complex, dams, bridges, canals, power projects and other hydraulic structures, roads and highways, golf course, playgrounds, tennis court, and / or to carry on business as civil, mechanical, electrical, water supply and sanitary contractors, builders, real estate developers, suppliers of various services required for residential, commercial, industrial and other units in compliance with foreign exchange laws in relation to foreign investment in real estate sector including compliance under foreign direct investment policy that may be issued by the Reserve Bank of India (RBI) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, from time to time.*

(iii) The Amalgamating Company 1 is presently engaged in the business of construction and development of real estate projects (both residential and commercial) and related consulting services, related management services, leasing of properties, making investments in joint developments, investing in companies/firms which undertake real estate development activities.

(iv) As of June 30, 2020, Embassy Property Developments Private Limited ("**EPDPL**"), a company incorporated under the Companies Act, 1956, having its registered office at 1st Floor, Embassy Point, 150, Infantry Road, Bangalore - 560 001 holds 63,095,240 equity shares in the Amalgamated Company, representing 13.89% of the issued and paid-up share capital of the Amalgamated Company. Prior to the filing of this Scheme with the NCLT, EPDPL shall have demerged certain identified assets/projects into the Amalgamating Company 1 (including its shareholding in the capital of the Amalgamated Company) by way of the NAM Internal Restructuring (*as defined hereinafter*), pursuant to which the Amalgamating Company 1 shall become a shareholder of the Amalgamated Company.

1.2.2 **EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED**

(i) Embassy One Commercial Property Developments Private Limited (hereinafter referred to as "**Amalgamating Company 2**") having CIN U70109KA2018PTC135028 is a company incorporated as a private limited company under the 2013 Act on July 3, 2018 *vide* certificate of incorporation issued by the Registrar of Companies, Bangalore. Amalgamating Company 2 has its registered office at 1st Floor, Embassy Point, 150, Infantry Road Bangalore, Infantry Road, Bangalore, 560052.

(ii) The main objects of the Amalgamating Company 2 as per its memorandum of association are as follows:

*To purchase, sell, sub-divide, consolidate any land and plots, construct, promote shopping malls, multiplexes, theatres, information technology, buildings, commercial buildings, including hotels and service apartments, for sale, rent, lease or both on installment or otherwise.*

(iii) The Amalgamating Company 2 is engaged in the business of providing common area maintenance services to construction and development of real estate projects (both residential and commercial) and other related activities.

(iv) As of June 30, 2020, EPDPL holds 10,000 equity shares in the Amalgamating Company 2, representing 100% of the issued and paid-up share capital of the Amalgamating Company 2. Prior to the filing of this Scheme with the NCLT, the entire shareholding of EPDPL in the Amalgamating Company 2 shall have demerged into the Amalgamating Company 1 by way of the NAM Internal Restructuring, pursuant to which the Amalgamating Company 2 shall become the wholly owned subsidiary of the Amalgamating Company 1.

1.2.3 **INDIABULLS REAL ESTATE LIMITED**

(i) Indiabulls Real Estate Limited (hereinafter referred to as "**IBREL**" or **"Amalgamated Company"**) having CIN L45101DL2006PLC148314, is a company, incorporated as a public limited company under the 1956 Act on April 4, 2006. As of the date of approval of this Scheme by the Board of Directors, the Amalgamated Company has its registered office at M - 62 & 63 First Floor, Connaught Place New Delhi 110001. Prior to the filing of this Scheme with the NCLT, the Amalgamated Company shall complete the shifting of its registered office from Delhi to Haryana.

(ii) The equity shares of the Amalgamated Company are, at present, listed on the Stock Exchanges and global depository receipts, underlying equity shares of Amalgamated Company, are listed at the LSE.

(iii) The main objects of the Amalgamated Company as per its memorandum of association are as follows:

(a) *To purchase, sell, develop, construct, take in exchange or on lease, hire or otherwise acquire and deal in all real or personal estate/properties and to enter into joint venture, foreign collaboration in real estate as per permissible government guidelines.*

(b) *To construct, acquire, hold/sell properties, buildings, farms, lands tenements and such other moveable and immovable properties and to rent, let on hire and manage them and to act as real estate agent and immovable property dealers.*

(c) *To carry on the business of Builders, General and Government Contractor and Engineers (mechanical, electrical, canal, civil, irrigation) and in all its branches.*

(d) *To acquire by purchase, lease, exchange or otherwise land, buildings, structures of any description in India or abroad and any estate or interest therein and any rights over or connected with land, building and structures and turn the same to accounts as may seem expedient and in particular by preparing building sites and by constructing, developing, reconstructing, altering, improving, decorating, furnishing and maintaining, townships, markets, offices, flats, apartments, houses, shops, factories, ware-house, or other buildings residential and commercial of all kinds and/or conveniences thereon, to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, installations and to deal with the same in any manner whatsoever, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others, to manage land, building and other properties situated as aforesaid, whether belonging to company or not and to collect rents and income and supply tenants and occupiers.*

(e) *To layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model, improve, grades, curves, pave, macadamize, cement, maintain or do any other work in connection with any building or building scheme, structures, houses, apartments, places of worship, paths, streets, sideways, courts, alleys, pavements, roads, highway, docks, sewers, bridges, canal, wells, springs, dams, power plants, bours, wharves, ports, reservoirs, embarkments, tramway, railways, irrigations, reclamations, improvements, sanitary, water, gas or any other structural or architectural work of any kind whatsoever and for such purpose, to prepare estimates, designs, plans, specification or models.*

(f) *To provide personnel recruitment services and provide personnel and personal services as supervisors of works and consultants in industries of every kind or description including real estate development and infrastructure projects.*

(g) *To form, settle, acquire, set up, incorporate, establish, promote, subsidise, organise and assist or aid in forming, promoting, subsiding, organising or aiding, companies, trusts, funds, entities or partnerships of all kinds for any purpose including for the purpose of accepting and undertaking any properties, businesses, assets, liabilities of this Company, or with objects similar in whole or part with that of Company and invest therein.*

(h) *To carry on the profession of consultants on management, employment, engineering, industrial and technical matters, including in relation to architecture, design management and interior design to industry and business of every kind and description including acting as consultants to companies engaged in real estate development and infrastructure projects.*

(i) *To act as consultants and to advise and assist on all aspects of corporate, commercial and industrial management or activity including production, manufacturing, personnel, financial, marketing, taxation, audit, technology, insurance, purchasing, sales, quality, control, productivity, planning, research and development, site and project management, construction supervision, schedule, safety and quality control, organization, import and export business, industrial relations and management and to make evaluations feasibility studies, project reports forecasts and surveys and to give export advice and advice on acquisition and commercial exploitation of real estate and suggest ways and means for improving efficiency in real estate development, infrastructure projects, mines trades, plantations, business organizations registered or co-operate societies, partnership or proprietary concerns and industries of all kinds in India and elsewhere in the world and improvement of business management, office organization and export management, to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of the company including assistance in acquiring governmental, regulatory and any other required approvals, to recruit and/or advice on the recruitment of staff for any company, to publish and sell books, bulletins periodicals and any other form of printed matters, to acquire, sell and deal in patents designs and any other rights to industrial property, and generally to conduct market research, product planning, classes, seminars and conferences in connection with any of the foregoing.*

(iv) The Amalgamated Company is presently engaged in the business of providing consultancy and advisory services to companies engaged in business of construction and real estate development and through its subsidiaries in the business of construction and development of real estate projects, including without limitation the asset management, development management and common area maintenance of all or any of such projects, whether commercial, residential, special economic zones, integrated or otherwise and other related activities.

1.3 **RATIONALE OF THE SCHEME**

1.3.1 The management of the Amalgamating Companies and the Amalgamated Company believe that the business existing in the Amalgamating Companies should be consolidated with the Amalgamated Company for the following primary reasons:

(i) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company ensures that that the Amalgamated Company has a complementary presence pan India across key market of Mumbai, Bangalore, Chennai and the NCR region and has diversification across real estate asset classes (commercial and residential).

(ii) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enable consolidation of the business and operations of the Amalgamating Companies and the Amalgamated Company which will provide impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies and enable optimal utilization of various resources as a result of pooling of financial, managerial, technical and human resources of both the Amalgamating Companies and the Amalgamated Company, thereby creating a stronger base for future growth and accretion of shareholder value.

(iii) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will result in rationalization and streamlining of the management structure of the consolidated business operations and pooling of human talent in terms of manpower, administration and marketing which will result in savings in the operation costs and optimum utilization of assets. Further, the consolidation will result in greater efficiency in 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.

(iv) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will provide the Amalgamated Company with size and scale and hence, with greater opportunities to secure investments from a new set of financial investors and will enhance the Amalgamated Company's ability to raise further capital from the financial markets.

(v) The consolidation of the resources of the Amalgamating Companies with those of the Amalgamated Company will enable the Amalgamated Company to provide better services and facilities to its customers and suppliers.

(vi) The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enhance the shareholder's value accruing from consolidation of business operations resulting in economies of scale, improving allocation of capital and optimizing cash flows, thus, contributing to the overall growth prospects of the Amalgamated Company.

1.3.2 The proposed Scheme is in the interest of all the parties and their respective shareholders and creditors.

1.4 **DEFINITIONS**

1.4.1 "**1956 Act**" means the Companies Act, 1956 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;

1.4.2 "**2013 Act**" means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;

1.4.3 "**Amalgamating Companies**" means Amalgamating Company 1 and Amalgamating Company 2;

1.4.4 "**Amalgamating Company 1**" means NAM Estates Private Limited, as defined in Clause 1.2.1 of Part I, and includes without limitation:

(i) any and all of its assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities or powers of every kind and description, together with all present and future liabilities, including contingent liabilities and debts appertaining thereto, where: (A) movable assets are clarified to include without limitation, assets which are otherwise capable of being transferred by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recordal, including equipment, furniture and fixtures; and (B) immovable assets are clarified to include without limitation: (a) all rights including development rights and transferable development rights, title and interest in any land and building, whether leasehold or otherwise; (b) lease, tenancy rights, statutory permissions, contractual permissions, consents, registrations or approvals obtained from any Governmental Authority and all rights or titles or interest in assets by virtue of any court decree or order; (c) environment clearance certificates, title clearance certificates issued by any competent authority, contracts, commencement certificate, occupation certificate, development right certificate, no-objection certificate and all approvals and permissions in connection with the immovable property or constructions thereon issued by/obtained from any Governmental Authority; and (d) and all privileges, benefits and incentives under income tax, sales tax/value added tax and/or any Applicable Law;

(ii) any and all loans and advances (including inter-corporate loans), including accrued interest thereon, sundry debts and receivables recoverable in cash or in kind or for value to be received, funds, cash, bank balances, deposits with Governmental Authorities, investments, accounts, cheques on hand, and all other rights, benefits of all agreements, capital investments, subsidies, grants, incentives, bills of exchange, letters of intent and tax refunds under tax laws;

(iii) without prejudice to generality of the foregoing, Amalgamating Company 1 shall include all investments in the capital of other companies, whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto;

(iv) any and all approvals (whether corporate approvals, approvals from Governmental Authorities, contractual approvals or otherwise), consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies or permissions from any Governmental Authority, including but not limited to Bruhut Bengaluru Mahanagara Palike, Bengaluru Development Authority and Real Estate Regulatory Authority, Karnataka, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities, balances with Governmental Authorities, intellectual property rights including trade names, income tax credit, advance tax, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company 1;

(v) any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, along with existing charges or mortgages, duties, undertakings and obligations, secured or unsecured, relating to the Amalgamating Company 1, including without limitation all liabilities owed by the Amalgamating Company 1 whether or not provided for in the books of accounts of the Amalgamating Company 1 or disclosed in the balance sheet of such Amalgamating Company 1;

(vi) any and all employees, who are on the pay roll of the Amalgamating Company 1, including those engaged at its offices at their current terms and conditions, including all employee benefits such as employees' provident fund, employees' state insurance, gratuity fund, superannuation fund;

(vii) all trademarks, service marks, domain names, copyrights, patents, goodwill and other intellectual property rights of every kind and description whatsoever, including permits, grants, allotments, recommendations, rights, entitlements, licenses, registrations, certificates and applications for trademarks, service marks, domain names, copyrights, patents and other intellectual property rights of every kind and description whatsoever, of the Amalgamating Company 1;

(viii) all obligations, privileges and benefits of, or under, all contracts, agreements (including agreements with any Governmental Authority), purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, guarantees and indemnities, bank guarantees, performance guarantees, commitments, undertakings, deeds, bonds, investments undertaken by or arrangements of any kind, and all other rights including without limitation lease rights, licenses, powers and facilities of every kind and description whatsoever, of the Amalgamating Company 1;

(ix) notice, dispute, suit, appeal, complaint, claim or other proceeding of whatsoever nature by or against the Amalgamating Company 1, including but not limited to those before any Governmental Authority;

(x) all direct and indirect taxes of any nature, duties and cess or any other like payment or deductions made by the Amalgamating Company 1 to any Governmental Authority, including (but not limited to) income tax, service tax, security transaction tax, value added tax, central sales tax, customs duty, minimum alternate tax, advance tax, excise duty, goods and services tax, or any other like payments made by the Amalgamating Company 1 to any Governmental Authority), or other collections made by the Amalgamating Company 1 or tax refunds payable to the Amalgamating Company 1;

(xi) any and all insurance covers, policies and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, to which the Amalgamating Company 1 is a party, or to the benefit of which the Amalgamating Company 1 is eligible;

(xii) any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company 1; and

(xiii) all records, files, papers, information, computer programs, relating to the Amalgamating Company 1.

1.4.5 "**Amalgamating Company 2**" means Embassy One Commercial Property Developments Private Limited, as defined in Clause 1.2.2 of Part I, and includes without limitation:

(i) any and all of its assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities or powers of every kind and description, together with all present and future liabilities, including contingent liabilities and debts appertaining thereto, where: (A) movable assets are clarified to include without limitation, assets which are otherwise capable of being transferred by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recordal, including equipment, furniture and fixtures; and (B) immovable assets are clarified to include without limitation: (a) all rights including development rights and transferable development rights, title and interest in any land and building, whether leasehold or otherwise; (b) lease, tenancy rights, statutory permissions, contractual permissions, consents, registrations or approvals obtained from any Governmental Authority and all rights or titles or interest in assets by virtue of any court decree or order; (c) environment clearance certificates, title clearance certificates issued by any competent authority, contracts, commencement certificate, occupation certificate, development right certificate, no-objection certificate and all approvals and permissions in connection with the immovable property or constructions thereon issued by/obtained from any Governmental Authority; and (d) and all privileges, benefits and incentives under income tax, sales tax/value added tax and/or any Applicable Law;

(ii) any and all loans and advances (including inter-corporate loans), including accrued interest thereon, sundry debts and receivables recoverable in cash or in kind or for value to be received, funds, cash, bank balances, deposits with Governmental Authorities, investments, accounts, cheques on hand, and all other rights, benefits of all agreements, capital investments, subsidies, grants, incentives, bills of exchange, letters of intent and tax refunds under tax laws;

(iii) without prejudice to generality of the foregoing, Amalgamating Company 2 shall include all investments in the capital of other companies, whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto;

(iv) any and all approvals (whether corporate approvals, approvals from Governmental Authorities, contractual approvals or otherwise), consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies or permissions from any Governmental Authority, including but not limited to Bruhut Bengaluru Mahanagara Palike, Bengaluru Development Authority and Real Estate Regulatory Authority, Karnataka, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities, balances with Governmental Authorities, intellectual property rights including trade names, income tax credit, advance tax, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company 2;

(v) any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, along with existing charges or mortgages, duties, undertakings and obligations, secured or unsecured, relating to the

Amalgamating Company 2, including without limitation all liabilities owed by the Amalgamating Company 2 whether or not provided for in the books of accounts of the Amalgamating Company 2 or disclosed in the balance sheet of such Amalgamating Company 2;

(vi) any and all employees, who are on the pay roll of the Amalgamating Company 2, including those engaged at its offices at their current terms and conditions, including all employee benefits such as employees' provident fund, employees' state insurance, gratuity fund, superannuation fund;

(vii) all trademarks, service marks, domain names, copyrights, patents, goodwill and other intellectual property rights of every kind and description whatsoever, including permits, grants, allotments, recommendations, rights, entitlements, licenses, registrations, certificates and applications for trademarks, service marks, domain names, copyrights, patents and other intellectual property rights of every kind and description whatsoever, of the Amalgamating Company 2;

(viii) all obligations, privileges and benefits of, or under, all contracts, agreements (including agreements with any Governmental Authority), purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, guarantees and indemnities, bank guarantees, performance guarantees, commitments, undertakings, deeds, bonds, investments undertaken by or arrangements of any kind, and all other rights including without limitation lease rights, licenses, powers and facilities of every kind and description whatsoever, of the Amalgamating Company 2;

(ix) notice, dispute, suit, appeal, complaint, claim or other proceeding of whatsoever nature by or against the Amalgamating Company 2, including but not limited to those before any Governmental Authority;

(x) all direct and indirect taxes of any nature, duties and cess or any other like payment or deductions made by the Amalgamating Company 2 to any Governmental Authority, including (but not limited to) income tax, service tax, security transaction tax, value added tax, central sales tax, customs duty, minimum alternate tax, advance tax, excise duty, goods and services tax, or any other like payments made by the Amalgamating Company 2 to any Governmental Authority), or other collections made by the Amalgamating Company 2 or tax refunds payable to the Amalgamating Company 2;

(xi) any and all insurance covers, policies and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, to which the Amalgamating Company 2 is a party, or to the benefit of which the Amalgamating Company 2 is eligible;

(xii) any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company 2; and

(xiii) all records, files, papers, information, computer programs, relating to the Amalgamating Company 2.

1.4.6 "**Amalgamated Company**" means IBREL, as defined in Clause 1.2.3 of Part I above;

1.4.7 "**Applicable Law(s)**" means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, by-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction; (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, settlement, stipulation, finding, decision, ruling, order or approval issued, promulgated, made, rendered, entered into or enforced by or with any Governmental Authority (in each such case whether preliminary or final) or agreements with any Governmental Authority of any applicable country and/or jurisdiction; and (c) international treaties, conventions and protocols, as may be in force and applicable from time to time;

1.4.8 "**Appointed Date**" shall be the (i) the Effective Date 1, for the purpose of Part III of this Scheme, and any references in this Scheme to "upon Part III of this Scheme becoming effective", "effectiveness of Part III of this Scheme", "after Part III of this Scheme becomes effective" and for the purposes of Part III of this Scheme, the appointed date shall be the Effective Date 1; and (ii) the Effective Date 2, for the purpose of Part IV of this Scheme, and any references in this Scheme to "upon Part IV of this Scheme becoming effective", "effectiveness of IV of this Scheme", "after Part IV of this Scheme becomes effective" and for the purposes of Part IV of this Scheme, the appointed date shall be the Effective Date 2;

1.4.9 "**Board of Directors**" means, in relation to the Amalgamating Companies and/or the Amalgamated Company, as the case may be, the board of directors of the relevant company(ies) and shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;

1.4.10 "**CCI**" means the Competition Commission of India;

1.4.11 "**CCI Approval**" means the approval granted by the CCI to the amalgamation in accordance with the provisions of the Competition Act, 2002, and the relevant rules and regulations thereunder;

1.4.12 "**Clause**" and "**sub-Clause**" means the relevant clauses and sub-clauses set out in this Scheme;

1.4.13 "**Effective Dates**" means Effective Date 1 and Effective Date 2;

1.4.14 "**Effective Date 1**" means the date on which the last of the conditions specified under Clause 27 of Part V of this Scheme are fulfilled (or the requirement of which has been waived, as may be permitted under Applicable Law);

1.4.15 "**Effective Date 2**" means the later of: (a) Effective Date 1; or (b) thirtieth ($30^{th}$) calendar day from the effectiveness of the IPPL Demerger;

1.4.16 "**Embassy Swap Shareholder**" means Embassy Property Developments Private Limited and/or its affiliates, who shall be holder(s) of securities issued by Specified Company 3;

1.4.17 "**Governmental Approvals**" means all approvals, as may be required, from the Government of India or any other Governmental Authority, and any permit, license, authorisation, consent, registration, certificate or other approval as may be required under Applicable Law;

1.4.18 "**Governmental Authority**" or "**Governmental Authorities**" means any governmental or statutory authority, government department, agency, commission, board, tribunal or court or other entity authorized to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction or any state or other sub-division thereof or any municipality, district or other sub-division thereof having jurisdiction pursuant to Applicable Law, including the Stock Exchanges, SEBI and the CCI;

1.4.19 "**IBREL Promoters**" means the individuals and entities included in the category of 'promoter and promoter group' of the Amalgamated Company (as defined under the ICDR) as of the date immediately preceding the Effective Date 1;

1.4.20 "**IT Act**" means the Income-tax Act, 1961, any re-enactment, amendments and modifications made thereto, as in effect from time to time;

1.4.21 "**ICDR**" means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, any re-enactment, amendments and modifications made thereto, as in effect from time to time;

1.4.22 "**IPPL Demerger**" means the proposed demerger of certain business of Indiabulls Properties Private Limited with respect to owning, operating and maintaining One Indiabulls Centre pursuant to a scheme of demerger filed before the National Company Law Tribunal, Chandigarh;

1.4.23 "**LODR**" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any re-enactment, amendments and modifications made thereto, as in effect from time to time;

1.4.24 "**LSE**" means the Luxembourg Stock Exchange;

1.4.25 "**LSE Approval**" means the no-objection or approval obtained by the Amalgamated Company from LSE in relation to the Scheme pursuant to Applicable Law;

1.4.26 "**NAM Internal Restructuring**" means the restructuring by the Amalgamating Company 1, Amalgamating Company 2 and their group companies of their respective direct and indirect holdings in certain entities and residential and/or commercial assets, which assets have been taken into account in the Share Exchange Report, by way of a demerger under Section 233 of the 2013 Act, business transfer, share swap or share purchase, and which has been completed prior to the filing of this Scheme with the NCLT;

1.4.27 "**NAM Promoters**" shall have the meaning ascribed to the term in Clause 5.4;

1.4.28 "**NAM Promoter Acquisition**" shall have the meaning ascribed to the term in Clause 5.4;

1.4.29 "**NAM OpCo Swap Agreement**" means the swap agreement which may be entered into by the Amalgamating Company 2, the Third Party Investor 3 and the Specified Company B;

1.4.30 "**NAM Swapping Investors"** means the Third Party Investors 1 and 2 and the Embassy Swap Shareholder;

1.4.31 "**NCLT**" means such bench(es) of the National Company Law Tribunal having jurisdiction where the registered office(s) of the Amalgamated Company and Amalgamating Company are situated as on the date of filing of the Scheme (which may include the National Company Law Tribunal, Bengaluru Bench and the National Company Law Tribunal, Chandigarh Bench) to which the Scheme will be submitted for its sanctioning under sections 230 to 232 of the Companies Act, which shall include, if applicable, such other forum or authority as may be vested with the powers of a National Company Law Tribunal under the 2013 Act;

1.4.32 "**New Equity Shares**" means the equity shares of the Amalgamated Company to be issued to members of Amalgamating Companies under Clause 9.1 of Part III and Clause 19.1 of Part IV (as applicable);

1.4.33 "**Record Date 1**" means the date to be 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 this Scheme;

1.4.34 "**Record Date 2**" means the date to be fixed by the Board of Directors of the Amalgamating Company 2 and the Amalgamated Company for the purpose of determining the members of the Amalgamating Company 2 to whom shares will be allotted pursuant to this Scheme;

1.4.35 "**Record Dates**" means Record Date 1 and Record Date 2;

1.4.36 "**Registrar of Companies**" means such office(s) of the Registrar of Companies having jurisdiction where the registered office(s) of the Amalgamated Company and Amalgamating Company are situated as on the date of filing of the Scheme (which may include the Registrar of Companies, Karnataka and the Registrar of Companies, Haryana);

1.4.37 "**RERA**" means the Real Estate Regulatory Authority;

1.4.38 "**RERA Approval**" means the approval granted by the RERA to the amalgamation in accordance with the provisions of the Real Estate (Regulations and Development) Act, 2016, and the relevant rules and regulations thereunder;

1.4.39 "**Respective Swap Agreement(s)**" means the swap agreement(s) which may be entered into by the Amalgamating Company 1, the relevant NAM Swapping Investors and the corresponding Specified Companies;

1.4.40 "**SEBI**" means the Securities and Exchange Board of India;

1.4.41 "**SEBI Scheme Circular**" means SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended and modified from time to time including by the SEBI Circulars dated January 3, 2018, January 19, 2018 and September 12, 2019, and includes any amendments and clarifications thereto issued by SEBI from time to time;

1.4.42 **"Scheme"** or "**the Scheme**" or "**this Scheme**" means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the 2013 Act, as applicable, and under all other Applicable Laws;

1.4.43 "**Share Exchange Report**" means the valuer report on the share exchange ratio dated August 18, 2020 issued by N S Kumar & Co. (independent Chartered Accountant), Mr. Niranjan Kumar (Registered Valuer) and BDO Valuation Advisory LLP (Registered Valuer) in respect of the amalgamation contemplated under Part III of this Scheme and Part IV of this Scheme;

1.4.44 "**Specified Companies**" means Specified Companies A and/or Specified Company B, as the case maybe;

1.4.45 "**Specified Companies A**" means collectively Specified Company 1, Specified Company 2 and Specified Company 3;

1.4.46 "**Specified Company B**" means Indiabulls Properties Private Limited;

1.4.47 "**Specified Company 1**" means Embassy One Developers Private Limited, a private limited company, having CIN U45202KA2007PTC084541 and its registered office at 1st Floor, Embassy Point, 150, Infantry Road, Bengaluru;

1.4.48 "**Specified Company 2**" means Embassy East Business Park Private Limited (formerly known as Concord India Private Limited), a private limited company, having CIN U51101KA1973PTC002298 and its registered office at 1st Floor, Embassy Point, 150, Infantry Road, Bengaluru;

1.4.49 "**Specified Company 3**" means Summit Developments Private Limited, a private limited company, having CIN U70200KA2011PTC057054 and its registered office at 1st Floor, Embassy Point, 150, Infantry Road, Bengaluru;

1.4.50 "**Stock Exchanges**" means, collectively the National Stock Exchange of India Limited and BSE Limited;

1.4.51 "**Stock Exchanges Approval**" means the no-objection/observation letter obtained by the Amalgamated Company from the Stock Exchanges in relation to the Scheme pursuant to Regulation 37 of the LODR and the SEBI Scheme Circular;

1.4.52 "**Third Party Investors 1 and 2**" means, collectively the Third Party Investor 1 and Third Party Investor 2;

1.4.53 "**Third Party Investor 1**" means WWD Pearl Limited, Mauritius, BREP Asia SG City View Holding (NQ) Pte Ltd , BREP VII SG City View Holding (NQ) Pte Ltd , BREP Asia SBS City View Holding (NQ) Ltd and BREP VII SBS City View Holding (NQ) Ltd, being holders of securities issued by Specified Company 1;

1.4.54 "**Third Party Investor 2**" means Florence Investments Limited (Mauritius), being a holder of securities issued by Specified Company 2; and

1.4.55 "**Third Party Investor 3**" means FIM Holdco I Limited and Ariston Investments Sub A Limited, being a holder of securities issued by Specified Company B.

### 1.1 INTERPRETATION

1.1.1 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.

1.1.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the 2013 Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, guidelines, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

### 1.2 EFFECTIVENESS OF THE SCHEME

1.2.1 The various parts of the Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLT(s), Stock Exchanges, SEBI or any other Governmental Authorities shall be deemed to have been given effect to in accordance with the following chronology and sequence:

(a) Part III of the Scheme shall be deemed to have been operative from Effective Date 1 and shall be effective from the Appointed Date; and

(b) Part IV of the Scheme shall be deemed to have been operative from Effective Date 2 and shall be effective from the Appointed Date.

1.2.2 If, for any reason whatsoever, either Part III or Part IV of this Scheme is found to be unworkable or cannot be effected together, the same shall not, subject to the decision of the relevant Amalgamating Companies and the Amalgamated Company through their respective Boards, affect the validity or implementation of the other parts and/ or provisions of this Scheme. Each of Part III and Part IV are severable and can be made effective independently along with Part I, Part II and Part V, subject to the compliance with the requisite conditions mentioned in Clause 27 and subject to a resolution being passed by the Board of Directors of the requisite companies to whom the aforesaid part is applicable, provided that: (i) Part IV of this Scheme can only be made effective if Part III of this Scheme has been made effective; and (ii) Part III of the Scheme shall be capable of being brought into effect irrespective of the coming into effect of Part IV of the Scheme.

## PART II
## SHARE CAPITAL STRUCTURE

### 2. CAPITAL STRUCTURE

2.1 The share capital of the Amalgamating Company 1 as on June 30, 2020 was as under:

| Share Capital | Amount in Rupees |
|---|---|
| **Authorized Capital** | |
| 2,00,000 equity shares of Rs. 10/- each | 20,00,000 |
| **Total** | **20,00,000** |
| **Issued, Subscribed and Fully Paid-up** | |
| 70,002 equity shares of Rs. 10/- each | 7,00,020 |
| **Total** | **7,00,020** |

The share capital of the Amalgamating Company 1 subsequent to the NAM Internal Restructuring and issuance of shares of Amalgamating Company 1 to the NAM Swapping Investors (without prejudice to Clause 5.4) pursuant to the Respective Swap Agreements shall be as under:

| Share Capital | Amount in Rupees |
|---|---|
| **Authorized Capital** | |
| 920,270,000 equity shares of Rs. 10/- each | 9,202,700,000 |
| **Total** | **9,202,700,000** |
| **Issued, Subscribed and Fully Paid-up** | |
| 838,579,388 equity shares of Rs. 10/- each | 8,385,793,880 |
| **Total** | **8,385,793,880** |

2.2 The share capital of the Amalgamating Company 2 as on June 30, 2020 was as under:

| Share Capital | Amount in Rupees |
|---|---|
| **Authorized Capital** | |
| 10,000 equity shares of Rs. 10/- each | 1,00,000 |
| **Total** | **1,00,000** |
| **Issued, Subscribed and Fully Paid-up** | |
| 10,000 equity shares of Rs. 10/- each | 1,00,000 |
| **Total** | **1,00,000** |

The share capital of the Amalgamating Company 2 subsequent to issuance of shares of Amalgamating Company 2 to the Third Party Investor 3 pursuant to the NAM OpCo Swap Agreement shall be as under:

| Share Capital | Amount in Rupees |
|---|---|
| **Authorized Capital** | |
| 161,650,000 equity shares of Rs. 10/- each | 1,616,500,000 |
| **Total** | **1,616,500,000** |
| **Issued, Subscribed and Fully Paid-up** | |
| 161,610,000 equity shares of Rs. 10/- each | 1,616,100,000 |

| Total | 1,616,100,000 |
|---|---|

2.3 The share capital of the Amalgamated Company as on June 30, 2020 was as under:

| Share Capital | Amount in Rupees |
|---|---|
| **Authorized Capital** | |
| 75,00,00,000 equity shares of Rs. 2/- (Rupees Two Only) each | 150,00,00,000 |
| 36,40,00,000 Preference Shares of Rs. 10/- (Rupees Ten Only) each | 364,00,00,000 |
| | |
| **Total** | **514,00,00,000** |
| **Issued** | |
| 45,46,63,876 equity shares of Rs. 2/- (Rupees Two Only) each | 90,93,27,752 |
| **Subscribed and Fully Paid-up** | |
| 45,46,63,876 equity shares of Rs. 2/- (Rupees Two Only) each | 90,93,27,752 |
| **Total** | **90,93,27,752** |

2.4 The Amalgamated Company has granted 118,000 outstanding employee stock options under the IBREAL Employee Stock Option Plan 2008 and 1,647,688 outstanding employee stock options under the IBREAL Employee Stock Option Plan 2010, the exercise of which prior to the Record Date 1 (for Part III of this Scheme) and/or Record Date 2 (for Part IV of this Scheme) may result in an increase in the issued and paid-up share capital of the Amalgamated Company. It is clarified that the provisions of this Clause 2.4 shall be without prejudice to the terms of the IBREAL Employee Stock Option Plan 2008 and the IBREAL Employee Stock Option Plan 2010.

## PART III

## AMALGAMATION OF THE AMALGAMATING COMPANY 1 WITH THE AMALGAMATED COMPANY

**3. THE TRANSFER BY WAY OF AMALGAMATION OF THE AMALGAMATING COMPANY 1 WITH AND INTO THE AMALGAMATED COMPANY**

3.1 Upon the coming into effect of Part III of the Scheme and with effect from the Appointed Date 1, the Amalgamating Company 1 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.

3.2 **Procedural Formalities Post Sanction of the Scheme**

Subject to the provisions of the Scheme in relation to the modalities of amalgamation, upon Part III of the Scheme coming into effect, the Amalgamating Company 1, together with *inter alia* all its present and future properties (leasehold or freehold), including land, buildings and any other movable or immovable property, assets (tangible or intangible), investments, borrowings, guarantees (including corporate guarantees given in respect of all assets of the Amalgamating Company 1 and/or its subsidiaries), approvals, consents, registrations, permits, benefits, privileges, goodwill, intellectual property rights, insurance covers or claims, records, rights, benefits, interests, employees, contracts, agreements, obligations, proceedings, liabilities (including contingent liabilities) and powers of every kind and description, shall amalgamate with and into the Amalgamated Company, and shall stand transferred to and vested in and shall become the property of and an integral part of the Amalgamated Company, by operation of law pursuant to the vesting order(s) of the NCLT(s) sanctioning the Scheme(s), without any further act, instrument or deed required by either of the Amalgamating Company 1 or the Amalgamated Company or their respective shareholders. Without prejudice to the generality of the above, in particular, the Amalgamating Company 1 shall stand amalgamated with and into the Amalgamated Company, as set out below:

(i) Upon and with effect from the Effective Date 1, all immovable property, whether land, buildings, constructions, or any other immovable property, together with all rights, title, interests, covenants, undertakings, liabilities or powers of every kind and description whether present or future, of the Amalgamating Company 1, whether freehold or leasehold, and any documents of title, rights and easements including development rights and transferable development rights, lease, tenancy rights, statutory permissions, contractual permissions, consents, registrations or approvals obtained from any Governmental Authority and all rights or titles or interest in assets by virtue of any court decree or order, environment clearance certificates, title clearance certificates issued by any competent authority, contracts, commencement certificate, occupation certificate, development right certificate, no-objection certificate and all approvals and permissions in connection with the immovable property or constructions thereon issued by/obtained from any Governmental Authority, and all privileges, benefits and incentives under income tax, sales tax/value added tax and/or any Applicable Law, in relation thereto, shall stand vested in or be deemed to be vested in the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed done by the Amalgamating Company 1 or the Amalgamated Company. Upon and with effect from the Effective Date 1, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes, rent and charges, and fulfill all obligations, in relation to or applicable to such immovable properties, if any, and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant conveyance deed, lease/license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance/prepaid lease/license fee, if any, to the Amalgamated Company. Upon and with effect from the Effective Date 1, the title to the immovable properties of the Amalgamating Company 1, if any, shall be deemed to have been mutated and recognised as that of the Amalgamated Company and the mere filing of the vesting order of the NCLT sanctioning the Scheme with the appropriate registrar or sub-registrar of assurances or with the relevant Governmental Authorities shall suffice as record of continuing titles with the Amalgamated Company pursuant to Part III of the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof, subject to compliance with any related procedural formalities under Applicable Law. The Amalgamated Company shall in pursuance of the vesting order of the NCLT be entitled to the delivery and possession of all documents of title to such immovable property, if any, in this regard.

(ii) Upon and with effect from the Effective Date 1, all the assets of the Amalgamating Company 1 as are movable in nature or are otherwise capable of being transferred by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recording, including without limitation equipment, furniture and fixtures, shall stand vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed done by the Amalgamating Company 1 or the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery, or by vesting and recording, as appropriate to the property being vested and the title to such property shall be deemed to have been transferred accordingly to the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law.

(iii) Upon and with effect from the Effective Date 1, any and all other movable property (except those specified elsewhere in this Clause) including without limitation investments in shares and any other securities, all sundry debts and receivables, outstanding loans and advances, if any, relating to the Amalgamating Company 1, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any, with Governmental Authorities, customers and other persons, cheques on hand, shall, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company, become the property of the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law. Without prejudice to the foregoing, the Amalgamated Company shall be entitled to deposit at any time after the Effective Date 1, cheques received in the name of the Amalgamating Company 1, to enable the Amalgamated Company to receive the amounts thereunder.

(iv) Upon and with effect from the Effective Date 1, all debts, borrowings, liabilities, contingent liabilities, duties and obligations, secured or unsecured, relating to the Amalgamating Company 1, including without limitation all liabilities owed by the Amalgamating Company 1 whether provided for or not in the books of accounts of the Amalgamating Company 1 or disclosed in the balance sheet of such Amalgamating Company 1, shall stand transferred to and vested in the Amalgamated Company, and the same shall be assumed to the extent they are outstanding on the Effective Date 1 and become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company. However, if any lender of the Amalgamating Company 1 requires satisfaction of the charge over the properties of the Amalgamating Company 1 and recording of a new charge with the Amalgamated Company, the Amalgamated Company shall for good order and for statistical purposes, file appropriate forms with the relevant Registrar of Companies as accompanied by the vesting order of the NCLT sanctioning the Scheme, or a certified copy of the same, and any deed of modification or novation executed *inter alios* by the Amalgamated Company.

(v) Upon and with effect from the Effective Date 1, all pledges or other encumbrances created by the Amalgamating Company 1 on the shares held in its subsidiaries, associate companies or such other entities shall be deemed to be pledges or encumbrances created by the Amalgamated Company, fully enforceable against the Amalgamated Company in accordance with the terms thereof, subject to compliance with any related procedural formalities under Applicable Law.

(vi) Upon and with effect from the Effective Date 1, the borrowing and investment limits of the Amalgamated Company under the 2013 Act shall be deemed without any further act or deed to have been enhanced by the borrowing and investment limit of the Amalgamating Company 1, such limits being incremental to the limits of the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law including passing requisite resolutions.

(vii) Any corporate approvals obtained by the Amalgamating Company 1 for acts and matters prior to the Effective Date 1 and relating to the Amalgamating Company 1, whether for the purpose of entering into related party transactions or compliance or otherwise, shall stand transferred to the Amalgamated Company on the Effective Date 1 and such corporate approvals and compliances shall be deemed without any further act or deed to have been obtained and complied with by the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law.

(viii) Upon and with effect from the Effective Date 1, all incorporeal or intangible property of the Amalgamating Company 1 shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company.

(ix) Upon and with effect from the Effective Date 1, all letters of intent, contracts, deeds, bonds, agreements, insurance policies, capital investment, subsidies, guarantees (including corporate guarantees given in respect of all assets of the Amalgamating Company 1 and/or its subsidiaries) and indemnities, schemes, arrangements and other instruments of whatsoever nature in relation to the Amalgamating Company 1 to which it is a party or to the benefit of which it may be entitled or eligible, shall be in full force and effect against or in favour of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company, and may be enforced as fully and effectually, as if, instead of the Amalgamating Company 1, the Amalgamated Company had been a party or beneficiary or obligee thereto. Without prejudice to the generality of the foregoing, bank guarantees, performance guarantees, letters of credit, agreements with any Governmental Authority, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of Amalgamating Company 1 or to the benefit of which the Amalgamating Company 1 may be eligible and which are subsisting or have effect immediately before the Effective Date 1, including without limitation all rights and benefits (including without limitation benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, upon Part III of this Scheme becoming effective, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, be deemed to be bank guarantees, performance guarantees, letters of credit, agreements, deeds, documents, and arrangements, as the case may be, of the Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company and shall be appropriately transferred or assigned by the concerned Governmental Authority in favour of the Amalgamated Company. However, the Amalgamated Company shall undertake all necessary compliances prescribed under Applicable Laws to effectuate transfer of goods and services tax credits of the Amalgamating Company 1 to the Amalgamated Company.

(x) Upon and with effect from the Effective Date 1, all permits, grants, allotments, recommendations, rights, entitlements, licenses and registrations including without limitation relating to trademarks, logos, patents and other intellectual property rights, approvals, clearances, tenancies, privileges, powers, offices, easements, goodwill, entitlements, facilities of every kind and description of whatsoever nature, in relation to the Amalgamating Company 1, to which the Amalgamating Company 1 is a party or to the benefit of which the Amalgamating Company 1 may be eligible, shall be enforceable by or against the Amalgamated Company, as fully and effectually as if, instead of the Amalgamating Company 1, the Amalgamated Company had been a party or beneficiary or obligee thereto, by operation of law, pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company.

(xi) Upon and with effect from the Effective Date 1, any statutory licenses, no-objection certificates, permissions, registrations (including, but not limited to, sales tax, service tax, goods and services tax, excise, value added tax, central sales tax (if any)), approvals, consents, permits, quotas, easements, goodwill, entitlements, allotments, concessions, exemptions, advantages or rights required to carry on the operations of the Amalgamating Company 1 or granted to the Amalgamating Company 1 shall stand vested in or transferred to the Amalgamated Company, by operation of law, pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company and shall be appropriately transferred or assigned by the concerned statutory authorities in favour of the Amalgamated Company upon amalgamation of the Amalgamating Company 1 with and into the Amalgamated Company pursuant to the Scheme. The benefit of all statutory and regulatory permissions, environmental approvals and consents including without limitation statutory licenses, permissions, approvals or consents required to carry on the operations of the Amalgamating Company 1 shall vest in and become available to the Amalgamated Company upon and with effect from the Effective Date 1, by operation of law, pursuant to the vesting order of the

NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company.

(xii) Upon and with effect from the Effective Date 1, the Amalgamated Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against the Amalgamating Company 1. Upon and with effect from the Effective Date 1, if any notice, dispute, suit, appeal, complaint, claim or other proceeding of whatsoever nature by or against the Amalgamating Company 1, including (but not limited to) those before any Governmental Authority, be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of Amalgamating Company 1 with and into the Amalgamated Company, or of anything contained in this Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Amalgamating Company 1, by operation of law, pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company, as if this Scheme had not been made. Upon and with effect from the Effective Date 1 where required, the Amalgamated Company undertakes to have such legal or other proceedings initiated by or against the Amalgamating Company 1 transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company. The Amalgamated Company also undertakes to handle all legal or other proceedings which may be initiated against the Amalgamating Company 1 after the Effective Date 1 in respect of the period up to the Effective Date 1, in its own name and account and further undertakes to pay all amounts including without limitation interest, penalties, damages, etc. which the Amalgamating Company 1 may be called upon to pay or secure in respect of any liability or obligation relating to the Amalgamating Company 1 for the period up to the Effective Date 1.

(xiii) Upon and with effect from the Effective Date 1, all persons that were employed in the Amalgamating Company 1 immediately before such date shall become employees of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company, on terms and conditions no less favourable than those that were applicable to such employees immediately prior to such amalgamation, with the benefit of continuity of service on the same terms and conditions as were applicable to such employees immediately prior to such amalgamation and without any break or interruption in service. It is clarified that such employees of the Amalgamating Company 1 that become employees of the Amalgamated Company by virtue of this Scheme, shall continue to be governed by the terms of employment as were applicable to them immediately before such amalgamation and shall not be entitled to be governed by employment policies, and shall not be entitled to avail of any benefits under any scheme or settlement or otherwise that are applicable and available to any other employees of the Amalgamated Company, unless and otherwise so stated by the Amalgamated Company in writing in respect of all employees, class of employees or any particular employee. The Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Amalgamating Company 1 in respect of such employees forming part of the Amalgamating Company 1 with their respective employees/employee unions. With regard to employees' provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of the Amalgamating Company 1, upon and with effect from the Effective Date 1, the Amalgamated Company shall stand substituted for the Amalgamating Company 1, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company, for all purposes whatsoever relating to the obligations to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing employees' provident fund benefits, gratuity benefits and superannuation benefits or any other special benefits or obligation, if any, created or used by the Amalgamating Company 1 (or an affiliate of the Amalgamating Company 1 on behalf of the Amalgamating Company 1) for its employees being transferred to the Amalgamated Company pursuant to this Scheme shall be continued by the Amalgamated Company for the benefit of such employees on the same terms and conditions. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Company 1 in relation to such schemes or funds shall become those of the Amalgamated Company. Further, upon and with effect from the Effective Date 1, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee forming part of the Amalgamating Company 1 shall be continued/continue to operate against the relevant employee and shall be enforced by the Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company.

(xiv) Upon and with effect from the Effective Date 1, all direct and indirect taxes of any nature, duties and cess or any other like payment or deductions made by the Amalgamating Company 1 to any statutory authorities, including (but not limited to) income tax, service tax, security transaction tax, value added tax, central sales tax, customs duty, minimum alternate tax, advance tax, excise duty, goods and services tax, or any other like payments made by the Amalgamating Company 1 to any statutory authorities), or other collections made by the Amalgamating

Company 1 and relating to the period up to the Effective Date 1, shall be deemed to have been on account of, or on behalf of, or paid by, or made by the Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company. Further, upon and with effect from the Effective Date 1, all deduction otherwise admissible to Amalgamating Company 1 including without limitation payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (including, but not limited to, under Section 43B, Section 40, Section 40A etc. of the IT Act) shall be eligible for deduction to the Amalgamated Company upon fulfilment of the applicable conditions under the IT Act. Further, the Amalgamated Company shall be entitled to claim credit for taxes deducted at source/paid against its tax/duty liabilities/minimum alternate tax, advance tax, service tax, value added tax liability etc., notwithstanding the certificates/challans or other documents for payment of such taxes/duties, as the case may be, being in the name of the Amalgamating Company 1. Upon and with effect from the Effective Date 1, all taxes payable by or refundable to or being the entitlement of the Amalgamating Company 1, including without limitation all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, entitlements (including, but not limited to, credits in respect of income tax, including carry forward tax losses, unabsorbed depreciation, sales tax, closing balance of CENVAT, value added tax, central sales tax, turnover tax, excise duty, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, as would have been available to the Amalgamating Company 1, shall upon Part III of the Scheme becoming effective on the Effective Date 1, be available to the Amalgamated Company, and losses and unabsorbed depreciation of the Amalgamating Company 1 be carried forward and set off against tax on future taxable income of the Amalgamated Company in accordance with provisions of Section 72A of the IT Act to the extent applicable and permitted under Applicable Law. The Amalgamated Company shall undertake all necessary compliances prescribed under Applicable Laws to effectuate transfer of credits of goods and services tax of the Amalgamating Company 1 to the Amalgamated Company.

(xv) Upon and with effect from the Effective Date 1, all taxes payable by the Amalgamating Company 1 including without limitation all or any refunds of claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 1 or the Amalgamated Company, and the Amalgamated Company shall be entitled to file/revise its statutory returns and related tax payment certificates and to claim refunds and advance tax credits as may be required consequent to the implementation of the Scheme, and all tax compliances under Applicable Laws by the Amalgamating Company 1 shall be deemed to have been undertaken by the Amalgamated Company.

(xvi) The Amalgamated Company shall, at any time after the coming into effect of Part III of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements including without limitation, any forms or depository instructions, with any party to any contract or arrangement in relation to the Amalgamating Company 1 to which the Amalgamating Company 1 is a party and make any filings with the Governmental Authorities, in order to give formal effect to the above provisions. On and after the Effective Date 1, the Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writing in the name of and on behalf of the Amalgamating Company 1 and to carry out or perform all such formalities or compliances referred to above on behalf of the Amalgamating Company 1, *inter alia*, in its capacity as the successor entity of the Amalgamating Company 1.

(xvii) Upon Part III of the Scheme becoming effective on the Effective Date 1, the Amalgamated Company shall be entitled to operate all bank accounts, realise all moneys and complete and enforce all pending contracts and transactions in the name of the Amalgamating Company 1 to the extent necessary until the transfer of the rights and obligations of the Amalgamating Company 1 to the Amalgamated Company pursuant to the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date 1, and until such time that the name in the bank accounts of the Amalgamating Company 1 have been replaced with that of the Amalgamated Company, the Amalgamated Company shall be entitled to operate the bank accounts of the Amalgamating Company 1 in the name of the Amalgamating Company 1 in so far as may be necessary.

3.3 With effect from the Effective Date 1, all debts, liabilities, duties and obligations of the Amalgamating Company 1, whether or not provided in their books, and all liabilities which arise or accrue on or after the Effective Date 1 shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company. However, the secured creditors of the Amalgamating Company 1 and/or other holders of security over the properties of the Amalgamating Company 1 shall be entitled to security only in respect of the properties, assets, rights, benefits and interests of the Amalgamating Company 1 as existing immediately prior to the Effective Date 1, and the secured creditors of the Amalgamated Company and/or other holders of security over the properties of the Amalgamated Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interests of the Amalgamated Company as existing immediately prior to the Effective Date 1. It is hereby clarified that pursuant to the amalgamation of the Amalgamating Company 1 with the Amalgamated Company, (i) the secured creditors of the Amalgamating Company 1 and/or other holders of security over the properties of the Amalgamating Company 1 shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Amalgamated Company and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Amalgamated Company; and (ii) the secured creditors of the Amalgamated Company and/or other holders of security over the properties of the Amalgamated Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Amalgamating Company 1 and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Amalgamated Company.

3.4 With effect from the Effective Date 1, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company 1.

3.5 Upon Part III of this Scheme becoming effective, the Amalgamating Company 1 shall stand dissolved, without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

3.6 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the 2013 Act in respect of the Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company 1 with and into the Amalgamated Company, in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the 2013 Act.

**4. CONDUCT OF BUSINESS**

4.1 With effect from the date of approval of the Scheme by the Board of Directors of the Amalgamating Company 1 and the Amalgamated Company and until occurrence of the Effective Date 1, each of the Amalgamating Company 1 and the Amalgamated Company undertake the following (subject to any exceptions as may be mutually agreed in writing between the Amalgamating Company 1 and the Amalgamated Company):

(i) to carry on all its business activities, with reasonable diligence and business prudence in the same manner as it had been doing hitherto in the ordinary course consistent with past practice and stand possessed of its respective properties and assets;

(ii) to make reasonable efforts, acting in good faith, to ensure that its business, properties and assets and/or rights therein as on the date of approval of the Scheme by its Board of Directors and the business, properties and assets and/or rights therein acquired thereafter, are preserved and its major sources of revenue are retained until the Effective Date 1;

(iii) that all profits accruing to the Amalgamating Company 1 and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company with effect from the Effective Date 1;

(iv) to not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities or commitment for any third party, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of approval of the Scheme by the Board of Directors; or (c) when the prior written consent of the Amalgamated Company has been obtained by the Amalgamating Company 1 or vice versa in this regard; or (d) when the same has been mutually agreed in writing between the Amalgamating Company 1 and the Amalgamated Company;

(v) to not sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the prior written consent of the Amalgamated Company has been obtained by the Amalgamating Company 1 or vice versa in this regard; or (d) when the same has been mutually agreed in writing between the Amalgamating Company 1 and the Amalgamated Company;

(vi) to not, except by mutual consent of the Amalgamating Company 1 and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements as part of or referenced in this Scheme, pending sanction of this Scheme by the NCLT, make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would change or have the effect of reorganisation of its capital structure or enter into any amalgamation, merger, reorganization, or other similar or related action (where it is not the surviving entity);

(vii) to not, alter or substantially expand its business, or incorporate or acquire a subsidiary, except when agreed in writing between the Amalgamating Company 1 and the Amalgamated Company; and

(viii) to not, except as may be required by Applicable Law, amend its memorandum of association and/or its articles of association, except when agreed in writing between the Amalgamating Company 1 and the Amalgamated Company.

4.2 Notwithstanding anything to the contrary, nothing in this Scheme shall prohibit an issuance by the Amalgamating Company 1 to one or more investors of equity shares or any securities convertible into or exchangeable for equity shares or any other rights, warrants or options to acquire equity shares of an aggregate value of INR 500,00,00,000

(Rupees Five Hundred Crores) at the same price per equity share arrived at for the Amalgamating Company 1 in the Share Exchange Report to meet its operational requirements and/or debt repayment obligations, such that the paid-up share capital of the Amalgamating Company 1 shall be deemed to be increased by such amounts, and any increase in authorised share capital of the Amalgamating Company 1 in this connection shall be done in compliance with the requirements under the 2013 Act.

**5. EXCHANGE OF SECURITIES AT THE AMALGAMATING COMPANY 1**

5.1 Upon the Scheme being sanctioned by the NCLT(s):

5.1.1 Third Party Investor 1 shall pursuant to and subject to its Respective Swap Agreement; and

5.1.2 Third Party Investor 2 and the Embassy Swap Shareholder shall;

in the manner as provided in Clause 5.2, exchange the securities held by them in the Specified Companies A for equity shares in the Amalgamating Company 1.

5.2 Upon the Scheme being sanctioned by the NCLT(s) but prior to the Record Date 1 and prior to the Effective Date 1, and notwithstanding anything to the contrary in the Scheme, Third Party Investor 1 shall pursuant to and subject to its Respective Swap Agreements and Third Party Investor 2 and the Embassy Swap Shareholder shall undertake an exchange of the securities as under:

(i) equity shares of the Amalgamating Company 1 will be issued to Third Party Investor 1, together with full legal and beneficial right, title and interest thereto, in exchange for the securities held by Third Party Investor 1 in Specified Company 1;

(ii) equity shares of the Amalgamating Company 1 will be issued to Third Party Investor 2, together with full legal and beneficial right, title and interest thereto, in exchange for the securities held by Third Party Investor 2 in Specified Company 2; and

(iii) equity shares of the Amalgamating Company 1 will be issued to the Embassy Swap Shareholder, together with full legal and beneficial right, title and interest thereto, in exchange for the securities held by Embassy Swap Shareholder in Specified Company 3;

such that upon consummation of all of the foregoing transactions set out in this Clause 5.2, prior to the Effective Date 1 and the Record Date 1, the NAM Swapping Investors shall become equity shareholders in the Amalgamating Company 1 and the Specified Companies will become wholly owned subsidiaries of the Amalgamating Company 1 and consequently of the Amalgamated Company on the Effective Date 1 pursuant to the Scheme.

5.3 It is clarified that the Third Party Investors 1 and 2 shall be classified as 'public shareholders' in the Amalgamated Company upon the allotment of the New Equity Shares pursuant to the Scheme.

5.4 If subject to and in accordance with the Respective Swap Agreement(s), the exchange of securities is not undertaken by one or more of the Third Party Investors 1 and 2 and Embassy Swap Shareholder or if one or more of the Respective Swap Agreement(s) is/are terminated or if for any reason whatsoever, the entire shareholding of the Specified Companies A is not held by Amalgamating Company 1, then the Amalgamating Company 1 shall, notwithstanding anything to the contrary provided in Respective Swap Agreement(s) or this 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 Specified Companies A held by such of the Third Party Investors 1 and 2 and Embassy Swap Shareholder ("**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 A with the Amalgamating Company 1, as applicable, on the same terms as entered into between such Third Party Investor 1, Third Party Investor 2 and Embassy Swap Shareholder and Amalgamating Company 1, such that upon the amalgamation of Amalgamating Company 1 with Amalgamated Company, the Specified Companies A shall become the wholly owned subsidiary (directly or indirectly) of the Amalgamated Company and the Amalgamating Company 1 shall also ensure (x) that the consideration as provided in Clause 9.1 is not affected and remains unchanged; and (y) that the Amalgamating Company 1 and the NAM Promoters fulfil their obligation pursuant to this Clause 5.4) by duly complying with the provisions of 2013 Act.

5.5 Upon acquisition of the entire shareholding of Specified Companies A held by such of the Third Party Investors 1 and 2 as provided in Clause 5.4: (A) the relevant Third Party Investors 1 and 2 being the transferor 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 Company; 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.

## 6. CHANGE IN NAME OF THE AMALGAMATED COMPANY

6.1 Upon Part III of this Scheme becoming effective on the Effective Date 1, without any further act, instrument or deed, 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 availability with the Ministry of Corporate Affairs and any other procedural requirements under the 2013 Act. Further, the name "Indiabulls Real Estates Limited" wherever it occurs in the memorandum of association and articles of association of the Amalgamated Company shall be substituted by such name.

6.2 The approval and consent of this Scheme by the shareholders of the Amalgamated Company shall be deemed to be the approval of shareholders by way of special resolution under Section 13 of the 2013 Act for change of name of the Amalgamated Company as contemplated herein and shall be deemed to be sufficient for the purpose of effecting the amendments in the memorandum of association and articles of association of the Amalgamated Company in relation to the change of name of the Amalgamated Company in accordance with Sections 13, 14 and any other applicable provisions of the 2013 Act. The sanction of this Scheme by the NCLT shall be deemed and no further resolution(s) would be required to be separately passed for compliance of Sections 4, 13, 14 and other applicable provisions of the 2013 Act for the purpose of effecting the change in the name of the Amalgamated Company.

**7.** [*Intentionally left blank*]

**8. RECORD DATE**

8.1 The Board of Directors of the Amalgamated Company, after procuring the consent of the Amalgamating Company 1, shall determine the Record Date 1 (which date shall be subsequent to the Effective Date 1) for issue and allotment of the New Equity Shares of the Amalgamated Company to the shareholders of the Amalgamating Company 1 in terms of Clause 9. Upon determination of the Record Date 1, the Amalgamating Company 1 shall prepare a list of Amalgamating Company 1's equity shareholders as on such Record Date 1, who shall be entitled to receive the New Equity Shares in terms of this Scheme, and provide such list to the Amalgamated Company for issuance and allotment of New Equity Shares to the shareholders of Amalgamating Company 1 in the manner provided in Clause 9.

**9. CONSIDERATION**

9.1 Upon the coming into effect of Part III of the Scheme, and in consideration of the amalgamation of the Amalgamating Company 1 with the Amalgamated Company pursuant to Part III of the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Exchange Report, issue and allot to the shareholders of Amalgamating Company 1 (whose name is recorded in the register of members of the Amalgamating Company 1 as holding equity shares on the Record Date 1) such number of equity shares in the Amalgamated Company ("**New Equity Shares**") in the following manner, each free and clear of all encumbrances, validly issued and fully paid-up:

"*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each*".

9.2 In the event that the New Equity Shares entitled to be issued result in fractional entitlements, the Board of Directors of the Amalgamated Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer.

9.3 Pursuant to issuance of New Equity Shares as aforesaid to the shareholders of the Amalgamating Company 1, the shareholders of the Amalgamating Company 1 shall become the shareholders of the Amalgamated Company.

9.4 Upon the allotment of the New Equity Shares as aforesaid and in compliance with Applicable Law, the promoters of the Amalgamating Company 1 as of the Record Date 1 (including the Embassy Swap Shareholder, and/or any the NAM Promoters pursuant to Clause 5.5) shall, together with the IBREL Promoters, be also classified as 'promoter and promoter group' of the Amalgamated Company (as defined under the ICDR), provided that, if the shareholding of the IBREL Promoters in the Amalgamated Company falls to or below 10% (Ten percent) at any time including pursuant to the effectiveness of the Scheme, the IBREL Promoters and the Amalgamated Company shall take appropriate steps to reclassify the IBREL Promoters as 'public shareholders' in accordance with Applicable Law.

9.5 Since the equity shares of the Amalgamated Company are in dematerialized form, the shareholders of the Amalgamating Company 1 shall be issued New Equity Shares in dematerialized form.

9.6 New Equity Shares of the Amalgamated Company issued in terms of Clause 9.1 of this Scheme will be listed and/or admitted to trading on the Stock Exchanges where the shares of the Amalgamated Company are listed and/or admitted to trading subject to necessary approvals under SEBI regulations (as applicable) and from the Stock Exchanges and all necessary applications and compliances being made in this respect by the Amalgamated Company.

9.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company 1, the Board of Directors of the Amalgamated Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date 1, in order to remove any difficulties, after the effectiveness of this Scheme.

9.8 Subject to Clause 10 below, the New Equity Shares to be issued to the members of Amalgamating Company 1 under Clause 9.1 above shall be subject to the memorandum and articles of association of the Amalgamated Company and shall rank *pari passu* with the existing equity shares of Amalgamated Company in all respects for the financial year starting from the Effective Date 1 in terms of the Scheme with the existing equity shares of Amalgamated Company.

## 10. DIVIDEND PAYABLE BETWEEN DATE OF APPROVAL OF THE SCHEME BY THE BOARD OF DIRECTORS AND EFFECTIVE DATE

10.1 Notwithstanding anything provided in this Scheme, in case dividend (including interim dividend), is declared either by Amalgamated Company or Amalgamating Company 1 prior to the Effective Date 1, it shall be payable to their respective shareholders whose name is recorded in the register of members of the Amalgamated Company and/or Amalgamating Company 1 as holding equity shares on the date of declaration of such dividend or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Amalgamated Company and/ or Amalgamating Company 1 respectively.

10.2 It is clarified that the aforesaid provision in respect of declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any member of the Amalgamated Company and Amalgamating Company 1 to demand or claim any dividends which, subject to the provisions of the 2013 Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamated Company and Amalgamating Company 1 and subject to the approval of the shareholders of the Amalgamated Company and Amalgamating Company 1 respectively.

## 11. CANCELLATION OF EXISTING SHARES OF AMALGAMATED COMPANY

11.1 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 Sections 230 to 232 of the 2013 Act and any other relevant provisions of the Act, without any further act or deed, without any payment to any person, upon Part III of this Scheme becoming effective.

11.2 It is clarified that the cancellation of issued and paid-up equity shares of Amalgamated Company shall be effected as an integral part of this Scheme under Section 230 to 232 of the 2013 Act and accordingly, consent of the shareholders of the Amalgamating Company 1 and the Amalgamated Company to this Scheme shall be deemed to be sufficient for purposes of effecting the above and that no further action or procedure under Section 66 or any other applicable provision of the 2013 Act shall be separately required.

11.3 Upon Part III of the Scheme coming into effect and the dissolution of the Amalgamating Company 1, the existing share capital of the Amalgamating Company 1 shall stand cancelled without any action, instrument, deed or payment required to be done or made by the Amalgamating Company 1 or the Amalgamated Company. In accordance with the explanation to Section 230 of the 2013 Act, the provisions of Section 66 of the 2013 Act shall not apply to any such reduction effected in pursuance of the order of the NCLT sanctioning the Scheme.

## 12. CHANGE IN AUTHORISED SHARE CAPITAL

12.1 Upon Part III of this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company 1 in the Amalgamated Company pursuant to the terms of this Scheme, the entire authorized share capital of the Amalgamating Company 1 shall stand transferred from the authorized share capital of the Amalgamating Company 1 to the authorized share capital of the Amalgamated Company without any further act or deed.

12.2 By virtue of Clause 12.1 above, Clause V of the memorandum of association of the Amalgamated Company and relevant clause, if any, of the articles of association of Amalgamated Company relating to authorised share capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13, Section 14, Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be to reflect the aggregate of the authorised share capital of the Amalgamating Company 1 and the Amalgamated Company as of the date immediately prior to the Effective Date 1.

12.3 For the avoidance of doubt, it is hereby clarified that if the authorized share capital of the Amalgamating Company 1 and/or the Amalgamated Company undergoes any change, either as a consequence of any corporate action pursuant to Clause 4.2 or Clause 5 or otherwise, then the authorized share capital to be specified in Clause V of the memorandum of association of the Amalgamated Company and relevant clause, if any, of the articles of association of Amalgamated Company relating to authorised share capital with effect from the Effective Date 1 shall automatically stand modified to take into account the effect of the change.

12.4 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company 1 are permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with Clause 12.1 above, and no further demand of additional stamp duty (other than differential duty under Section 232 of the 2013 Act is required) or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the relevant Registrar of Companies.

12.5 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with Clause 12.1 above, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 13, Section 14, Section 61 or any other applicable provisions of the 2013 Act, would be required to be separately passed.

## 13. ACCOUNTING TREATMENT

The amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company pursuant to Part III of this Scheme will be accounted for in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combinations) as notified under Section 133 of the 2013 Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

**14. TAX**

14.1 On the Effective Date 1, any tax liabilities under the IT Act or other applicable laws/regulations dealing with taxes/duties/levies allocable or related to the business of Amalgamating Company 1 to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Effective Date 1 shall be transferred to the Amalgamated Company and the Amalgamated Company shall duly discharge the obligations under Applicable Law with respect to such tax liabilities.

14.2 Any surplus in the provision for taxation/duties/levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, GST credit, CENVAT credit, as on the date, immediately preceding the Effective Date 1 will also be transferred to the Amalgamated Company on the Effective Date 1. Any refund under the IT Act or other applicable laws/regulations dealing with taxes/duties/levies allocable or related to the business of the Amalgamating Company 1 or due to the Amalgamating Company 1, consequent to the assessment made in respect of the Amalgamating Company 1, for which, no credit is taken in the accounts as on the date immediately preceding the Effective Date 1, shall also belong to and be received by Amalgamated Company on and after the Effective Date 1.

14.3 The tax payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, applicable state value added tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by the Amalgamating Company 1 after the Effective Date 1, shall be deemed to be paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source either by the Amalgamating Company 1 or the Amalgamated Company on account of intercompany transactions between Amalgamated Company and Amalgamating Company 1 after the Effective Date 1, shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.

14.4 Upon Part III of the Scheme becoming Effective, with effect from the Effective Date 1, the Amalgamated Company is expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns as well as those of/relating to the Amalgamating Company 1 along with the prescribed forms, filings and annexure under the IT Act , central sales tax, applicable state value added tax, service tax laws, goods and services tax and other tax laws, if required, to give effects to provisions of the Scheme.

14.5 All tax assessment proceedings/appeals of whatsoever nature by or against the Amalgamating Company 1 pending and/or arising at the Effective Date 1 and relating to Amalgamating Company 1 shall be continued and/or enforced until the Effective Date 1 as desired by the Amalgamating Company 1. As and from the Effective Date 1, the tax proceedings/appeals shall be continued and enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company 1. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company 1 with the Amalgamated Company or anything contained in the Scheme.

14.6 The provisions of this Scheme as they relate to the amalgamation of Amalgamating Company 1 into and with Amalgamated Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section of the IT Act, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.

## PART IV

## AMALGAMATION OF THE AMALGAMATING COMPANY 2 WITH THE AMALGAMATED COMPANY

### 15. THE TRANSFER BY WAY OF AMALGAMATION OF THE AMALGAMATING COMPANY 2 WITH AND INTO THE AMALGAMATED COMPANY

15.1 Upon the coming into effect of Part III of the Scheme and with effect from the Appointed Date 2, the Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.

15.2 **Procedural Formalities Post Sanction of the Scheme**

Subject to the provisions of the Scheme in relation to the modalities of amalgamation, upon Part IV of the Scheme coming into effect, the Amalgamating Company 2, together with *inter alia* all its present and future properties (leasehold or freehold), including land, buildings and any other movable or immovable property, assets (tangible or intangible), investments, borrowings, guarantees (including corporate guarantees given in respect of all assets of the Amalgamating Company 2 and/or its subsidiaries), approvals, consents, registrations, permits, benefits, privileges, goodwill, intellectual property rights, insurance covers or claims, records, rights, benefits, interests, employees, contracts, agreements, obligations, proceedings, liabilities (including contingent liabilities) and powers of every kind and description, shall amalgamate with and into the Amalgamated Company, and shall stand transferred to and vested in and shall become the property of and an integral part of the Amalgamated Company, by operation of law pursuant to the vesting order(s) of the NCLT(s) sanctioning the Scheme(s), without any further act, instrument or deed required by either of the Amalgamating Company 2 or the Amalgamated Company or their respective shareholders. Without prejudice to the generality of the above, in particular, the Amalgamating Company 2 shall stand amalgamated with and into the Amalgamated Company, as set out below:

(i) Upon and with effect from the Effective Date 2, all immovable property, whether land, buildings, constructions, or any other immovable property, together with all rights, title, interests, covenants, undertakings, liabilities or powers of every kind and description whether present or future, of the Amalgamating Company 2, whether freehold or leasehold, and any documents of title, rights and easements including development rights and transferable development rights, lease, tenancy rights, statutory permissions, contractual permissions, consents, registrations or approvals obtained from any Governmental Authority and all rights or titles or interest in assets by virtue of any court decree or order, environment clearance certificates, title clearance certificates issued by any competent authority, contracts, commencement certificate, occupation certificate, development right certificate, no-objection certificate and all approvals and permissions in connection with the immovable property or constructions thereon issued by/obtained from any Governmental Authority, and all privileges, benefits and incentives under income tax, sales tax/value added tax and/or any Applicable Law, in relation thereto, shall stand vested in or be deemed to be vested in the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed done by the Amalgamating Company 2 or the Amalgamated Company. Upon and with effect from the Effective Date 2, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes, rent and charges, and fulfill all obligations, in relation to or applicable to such immovable properties, if any, and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant conveyance deed, lease/license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance/prepaid lease/license fee, if any, to the Amalgamated Company. Upon and with effect from the Effective Date 2, the title to the immovable properties of the Amalgamating Company 2, if any, shall be deemed to have been mutated and recognised as that of the Amalgamated Company and the mere filing of the vesting order of the NCLT sanctioning the Scheme with the appropriate registrar or sub-registrar of assurances or with the relevant Governmental Authorities shall suffice as record of continuing titles with the Amalgamated Company pursuant to Part IV of the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof, subject to compliance with any related procedural formalities under Applicable Law. The Amalgamated Company shall in pursuance of the vesting order of the NCLT be entitled to the delivery and possession of all documents of title to such immovable property, if any, in this regard.

(ii) Upon and with effect from the Effective Date 2, all the assets of the Amalgamating Company 2 as are movable in nature or are otherwise capable of being transferred by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recording, including without limitation equipment, furniture and fixtures, shall stand vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed done by the Amalgamating Company 2 or the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery, or by vesting and recording, as appropriate to the property being vested and the title to such property shall be deemed to have been transferred accordingly to the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law.

(iii) Upon and with effect from the Effective Date 2, any and all other movable property (except those specified elsewhere in this Clause) including without limitation investments in shares and any other securities, all sundry debts and receivables, outstanding loans and advances, if any, relating to the Amalgamating Company 2, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any, with Governmental Authorities, customers and other persons, cheques on hand, shall, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company, become the property of the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law. Without prejudice to the foregoing, the Amalgamated Company shall be entitled to deposit at any time after the Effective Date 2, cheques received in the name of the Amalgamating Company 2, to enable the Amalgamated Company to receive the amounts thereunder.

(iv) Upon and with effect from the Effective Date 2, all debts, borrowings, liabilities, contingent liabilities, duties and obligations, secured or unsecured, relating to the Amalgamating Company 2, including without limitation all liabilities owed by the Amalgamating Company 2 whether provided for or not in the books of accounts of the Amalgamating Company 2 or disclosed in the balance sheet of such Amalgamating Company 2, shall stand transferred to and vested in the Amalgamated Company, and the same shall be assumed to the extent they are outstanding on the Effective Date 2 and become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company. However, if any lender of the Amalgamating Company 2 requires satisfaction of the charge over the properties of the Amalgamating Company 2 and recording of a new charge with the Amalgamated Company, the Amalgamated Company shall for good order and for statistical purposes, file appropriate forms with the relevant Registrar of Companies as accompanied by the vesting order of the NCLT sanctioning the Scheme, or a certified copy of the same, and any deed of modification or novation executed *inter alios* by the Amalgamated Company.

(v) Upon and with effect from the Effective Date 2, all pledges or other encumbrances created by the Amalgamating Company 2 on the shares held in its subsidiaries, associate companies or such other entities shall be deemed to be pledges or encumbrances created by the Amalgamated Company, fully enforceable against the Amalgamated Company in accordance with the terms thereof, subject to compliance with any related procedural formalities under Applicable Law.

(vi) Upon and with effect from the Effective Date 2, the borrowing and investment limits of the Amalgamated Company under the 2013 Act shall be deemed without any further act or deed to have been enhanced by the borrowing and investment limit of the Amalgamating Company 2, such limits being incremental to the limits of the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law including passing requisite resolutions.

(vii) Any corporate approvals obtained by the Amalgamating Company 2 for acts and matters prior to the Effective Date 2 and relating to the Amalgamating Company 2, whether for the purpose of entering into related party transactions or compliance or otherwise, shall stand transferred to the Amalgamated Company on the Effective Date 2 and such corporate approvals and compliances shall be deemed without any further act or deed to have been obtained and complied with by the Amalgamated Company, subject to compliance with any related procedural formalities under Applicable Law.

(viii) Upon and with effect from the Effective Date 2, all incorporeal or intangible property of the Amalgamating Company 2 shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company.

(ix) Upon and with effect from the Effective Date 2, all letters of intent, contracts, deeds, bonds, agreements, insurance policies, capital investment, subsidies, guarantees (including corporate guarantees given in respect of all assets of the Amalgamating Company 2 and/or its subsidiaries) and indemnities, schemes, arrangements and other instruments of whatsoever nature in relation to the Amalgamating Company 2 to which it is a party or to the benefit of which it may be entitled or eligible, shall be in full force and effect against or in favour of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company, and may be enforced as fully and effectually, as if, instead of the Amalgamating Company 2, the Amalgamated Company had been a party or beneficiary or obligee thereto. Without prejudice to the generality of the foregoing, bank guarantees, performance guarantees, letters of credit, agreements with any Governmental Authority, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of Amalgamating Company 2 or to the benefit of which the Amalgamating Company 2 may be eligible and which are subsisting or have effect immediately before the Effective Date 2, including without limitation all rights and benefits (including without limitation benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, upon Part IV of this Scheme becoming effective, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, be deemed to be bank guarantees, performance guarantees, letters of credit, agreements, deeds, documents, and arrangements, as the case may be, of the Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company and shall be appropriately transferred or assigned by the concerned Governmental Authority in favour of the Amalgamated Company. However, the Amalgamated Company shall undertake all necessary compliances prescribed under Applicable Laws to effectuate transfer of goods and services tax credits of the Amalgamating Company 2 to the Amalgamated Company.

(x) Upon and with effect from the Effective Date 2, all permits, grants, allotments, recommendations, rights, entitlements, licenses and registrations including without limitation relating to trademarks, logos, patents and other intellectual property rights, approvals, clearances, tenancies, privileges, powers, offices, easements, goodwill, entitlements, facilities of every kind and description of whatsoever nature, in relation to the Amalgamating Company 2, to which the Amalgamating Company 2 is a party or to the benefit of which the Amalgamating Company 2 may be eligible, shall be enforceable by or against the Amalgamated Company, as fully and effectually as if, instead of the Amalgamating Company 2, the Amalgamated Company had been a party or beneficiary or obligee thereto, by operation of law, pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company.

(xi) Upon and with effect from the Effective Date 2, any statutory licenses, no-objection certificates, permissions, registrations (including, but not limited to, sales tax, service tax, goods and services tax, excise, value added tax, central sales tax (if any)), approvals, consents, permits, quotas, easements, goodwill, entitlements, allotments, concessions, exemptions, advantages or rights required to carry on the operations of the Amalgamating Company 2 or granted to the Amalgamating Company 2 shall stand vested in or transferred to the Amalgamated Company, by operation of law, pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company and shall be appropriately transferred or assigned by the concerned statutory authorities in favour of the Amalgamated Company upon amalgamation of the Amalgamating Company 2 with and into the Amalgamated Company pursuant to the Scheme. The benefit of all statutory and regulatory permissions, environmental approvals and consents including without limitation statutory licenses, permissions, approvals or consents required to carry on the operations of the Amalgamating Company 2 shall vest in and become available to the Amalgamated Company upon and with effect from the Effective Date 2, by operation of law, pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company.

(xii) Upon and with effect from the Effective Date 2, the Amalgamated Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against the Amalgamating Company 2. Upon and with effect from the Effective Date 2, if any notice, dispute, suit, appeal, complaint, claim or other proceeding of whatsoever nature by or against the Amalgamating Company 2, including (but not limited to) those before any Governmental Authority, be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of Amalgamating Company 2 with and into the Amalgamated Company, or of anything contained in this Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Amalgamating Company 2, by operation of law, pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company, as if this Scheme had not been made. Upon and with effect from the Effective Date 2 where required, the Amalgamated Company undertakes to have such legal or other proceedings initiated by or against the Amalgamating Company 2 transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company. The Amalgamated Company also undertakes to handle all legal or other proceedings which may be initiated against the Amalgamating Company 2 after the Effective Date 2 in respect of the period up to the Effective Date 2, in its own name and account and further undertakes to pay all amounts including without limitation interest, penalties, damages, etc. which the Amalgamating Company 2 may be called upon to pay or secure in respect of any liability or obligation relating to the Amalgamating Company 2 for the period up to the Effective Date 2.

(xiii) Upon and with effect from the Effective Date 2, all persons that were employed in the Amalgamating Company 2 immediately before such date shall become employees of the Amalgamated Company, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company, on terms and conditions no less favourable than those that were applicable to such employees immediately prior to such amalgamation, with the benefit of continuity of service on the same terms and conditions as were applicable to such employees immediately prior to such amalgamation and without any break or interruption in service. It is clarified that such employees of the Amalgamating Company 2 that become employees of the Amalgamated Company by virtue of this Scheme, shall continue to be governed by the terms of employment as were applicable to them immediately before such amalgamation and shall not be entitled to be governed by employment policies, and shall not be entitled to avail of any benefits under any scheme or settlement or otherwise that are applicable and available to any other employees of the Amalgamated Company, unless and otherwise so stated by the Amalgamated Company in writing in respect of all employees, class of employees or any particular employee. The Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Amalgamating Company 2 in respect of such employees forming part of the Amalgamating Company 2 with their respective employees/employee unions. With regard to employees' provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of the Amalgamating Company 2, upon and with effect from the Effective Date 2, the Amalgamated Company shall stand substituted for the Amalgamating Company 2, by operation of law pursuant to the vesting order of the NCLT sanctioning the Scheme, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company, for all purposes whatsoever relating to the obligations to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing employees' provident fund benefits, gratuity benefits and superannuation benefits or any other special benefits or obligation, if any, created or used by the Amalgamating Company 2 (or an affiliate of the Amalgamating Company 2 on behalf of the Amalgamating Company 2) for its employees being transferred to the Amalgamated Company pursuant to this Scheme shall be continued by the Amalgamated Company for the benefit of such employees on the same terms and conditions. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Company 2 in relation to such schemes or funds shall become those of the Amalgamated Company. Further, upon and with effect from the Effective Date 2, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee forming part of the Amalgamating Company 2 shall be continued/continue to operate against the relevant employee and shall be enforced by the Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company.

(xiv) Upon and with effect from the Effective Date 2, all direct and indirect taxes of any nature, duties and cess or any other like payment or deductions made by the Amalgamating Company 2 to any statutory authorities, including (but not limited to) income tax, service tax, security transaction tax, value added tax, central sales tax, customs duty, minimum alternate tax, advance tax, excise duty, goods and services tax, or any other like payments made by the Amalgamating Company 2 to any statutory authorities), or other collections made by the Amalgamating Company 2 and relating to the period up to the Effective Date 2, shall be deemed to have been on account of, or on behalf of, or paid by, or made by the Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company. Further, upon and with effect from the Effective Date 2, all deduction otherwise admissible to Amalgamating Company 2 including without limitation payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (including, but not limited to, under Section 43B, Section 40, Section 40A etc. of the IT Act) shall be eligible for deduction to the Amalgamated Company upon fulfilment of the applicable conditions under the IT Act. Further, the Amalgamated Company shall be entitled to claim credit for taxes deducted at source/paid against its tax/duty liabilities/minimum alternate tax, advance tax, service tax, value added tax liability etc., notwithstanding the certificates/challans or other documents for payment of such taxes/duties, as the case may be, being in the name of the Amalgamating Company 2. Upon and with effect from the Effective Date 2, all taxes payable by or refundable to or being the entitlement of the Amalgamating Company 2, including without limitation all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, entitlements (including, but not limited to, credits in respect of income tax, including carry forward tax losses, unabsorbed depreciation, sales tax, closing balance of CENVAT, value added tax, central sales tax, turnover tax, excise duty, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, as would have been available to the Amalgamating Company 2, shall upon Part IV of the Scheme becoming effective on the Effective Date 2, be available to the Amalgamated Company, and losses and unabsorbed depreciation of the Amalgamating Company 2 be carried forward and set off against tax on future taxable income of the Amalgamated Company in accordance with provisions of Section 72A of the IT Act to the extent applicable and permitted under Applicable Law. The Amalgamated Company shall undertake all necessary compliances prescribed under Applicable Laws to effectuate transfer of credits of goods and services tax of the Amalgamating Company 2 to the Amalgamated Company.

(xv) Upon and with effect from the Effective Date 2, all taxes payable by the Amalgamating Company 2 including without limitation all or any refunds of claims shall be treated as the tax liability or refunds/claims, as the case may be, of the

Amalgamated Company, without any further act, instrument or deed of the Amalgamating Company 2 or the Amalgamated Company, and the Amalgamated Company shall be entitled to file/revise its statutory returns and related tax payment certificates and to claim refunds and advance tax credits as may be required consequent to the implementation of the Scheme, and all tax compliances under Applicable Laws by the Amalgamating Company 2 shall be deemed to have been undertaken by the Amalgamated Company.

(xvi) The Amalgamated Company shall, at any time after the coming into effect of Part IV of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements including without limitation, any forms or depository instructions, with any party to any contract or arrangement in relation to the Amalgamating Company 2 to which the Amalgamating Company 2 is a party and make any filings with the Governmental Authorities, in order to give formal effect to the above provisions. On and after the Effective Date 2, the Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writing in the name of and on behalf of the Amalgamating Company 2 and to carry out or perform all such formalities or compliances referred to above on behalf of the Amalgamating Company 2, *inter alia*, in its capacity as the successor entity of the Amalgamating Company 2.

(xvii) Upon Part IV of the Scheme becoming effective on the Effective Date 2, the Amalgamated Company shall be entitled to operate all bank accounts, realise all moneys and complete and enforce all pending contracts and transactions in the name of the Amalgamating Company 2 to the extent necessary until the transfer of the rights and obligations of the Amalgamating Company 2 to the Amalgamated Company pursuant to the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date 2, and until such time that the name in the bank accounts of the Amalgamating Company 2 have been replaced with that of the Amalgamated Company, the Amalgamated Company shall be entitled to operate the bank accounts of the Amalgamating Company 2 in the name of the Amalgamating Company 2 in so far as may be necessary.

15.3 With effect from the Effective Date 2, all debts, liabilities, duties and obligations of the Amalgamating Company 2, whether or not provided in their books, and all liabilities which arise or accrue on or after the Effective Date 2 shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company. However, the secured creditors of the Amalgamating Company 2 and/or other holders of security over the properties of the Amalgamating Company 2 shall be entitled to security only in respect of the properties, assets, rights, benefits and interests of the Amalgamating Company 2 as existing immediately prior to the Effective Date 2, and the secured creditors of the Amalgamated Company and/or other holders of security over the properties of the Amalgamated Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interests of the Amalgamated Company as existing immediately prior to the Effective Date 2. It is hereby clarified that pursuant to the amalgamation of the Amalgamating Company 2 with the Amalgamated Company, (i) the secured creditors of the Amalgamating Company 2 and/or other holders of security over the properties of the Amalgamating Company 2 shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Amalgamated Company and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Amalgamated Company; and (ii) the secured creditors of the Amalgamated Company and/or other holders of security over the properties of the Amalgamated Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Amalgamating Company 2 and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Amalgamated Company.

15.4 With effect from the Effective Date 2, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company 2.

15.5 Upon Part IV of this Scheme becoming effective, the Amalgamating Company 2 shall stand dissolved, without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

15.6 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the 2013 Act in respect of the Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company 2 with and into the Amalgamated Company, in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the 2013 Act.

**16. CONDUCT OF BUSINESS**

16.1 With effect from the date of approval of the Scheme by the Board of Directors of the Amalgamating Company 2 and the Amalgamated Company and until occurrence of the Effective Date 2, each of the Amalgamating Company 2 and the Amalgamated Company undertake the following (subject to any exceptions as may be mutually agreed in writing between the Amalgamating Company 2 and the Amalgamated Company):

(i) to carry on all its business activities, with reasonable diligence and business prudence in the same manner as it had been doing hitherto in the ordinary course consistent with past practice and stand possessed of its respective properties and assets;

(ii) to make reasonable efforts, acting in good faith, to ensure that its business, properties and assets and/or rights therein as on the date of approval of the Scheme by its Board of Directors and the business, properties and assets and/or rights therein acquired thereafter, are preserved and its major sources of revenue are retained until the Effective Date 2;

(iii) that all profits accruing to the Amalgamating Company 2 and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company with effect from the Effective Date 2;

(iv) to not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities or commitment for any third party, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of approval of the Scheme by the Board of Directors; or (c) when the prior written consent of the Amalgamated Company has been obtained by the Amalgamating Company 2 or vice versa in this regard; or (d) when the same has been mutually agreed in writing between the Amalgamating Company 2 and the Amalgamated Company;

(v) to not sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except: (a) when the same is expressly provided in this Scheme; or (b); when the prior written consent of the Amalgamated Company has been obtained by the Amalgamating Company 2 or vice versa in this regard; or (d) when the same has been mutually agreed in writing between the Amalgamating Company 2 and the Amalgamated Company;

(vi) to not, except by mutual consent of the Amalgamating Company 2 and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements as part of or referenced in this Scheme, pending sanction of this Scheme by the NCLT, make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would change or have the effect of reorganisation of its capital structure or enter into any amalgamation, merger, reorganization, or other similar or related action (where it is not the surviving entity);

(vii) to not, alter or substantially expand its business, or incorporate or acquire a subsidiary, except when agreed in writing between the Amalgamating Company 2 and the Amalgamated Company; and

(viii) to not, except as may be required by Applicable Law, amend its memorandum of association and/or its articles of association, except when agreed in writing between the Amalgamating Company 2 and the Amalgamated Company.

16.2 Notwithstanding anything to the contrary, nothing in this Scheme shall prohibit an issuance by the Amalgamating Company 2 to one or more investors of equity shares or any securities convertible into or exchangeable for equity shares or any other rights, warrants or options to acquire equity shares of an aggregate value of INR 500,000 (Rupees Five Lakhs) at the same price per equity share arrived at for the Amalgamating Company 2 in the Share Exchange Report, and the paid-up share capital of the Amalgamating Company 2 shall be deemed to be increased by such amounts, and any increase in authorised share capital of the Amalgamating Company 2 in this connection shall be done in compliance with the requirements under the 2013 Act.

## 17. EXCHANGE OF SECURITIES AT THE AMALGAMATING COMPANY 2

17.1 Upon the Scheme being sanctioned by the NCLT(s), the Third Party Investor 3 (being the shareholder of the Specified Company B) will, pursuant to the NAM OpCo Swap Agreement and in the manner as provided in Clause 17.2, exchange the securities held by them in the Specified Company B for equity shares in the Amalgamating Company 2**.**

17.2 Upon the Scheme being sanctioned by the NCLT(s) but prior to the Record Date 2 and prior to the Effective Date 2, and notwithstanding anything to the contrary in the Scheme, the Third Party Investor 3 will, pursuant to the NAM OpCo Swap Agreement, undertake an exchange of the securities on such terms as may be set out under the NAM Opco Swap Agreement, in which equity shares of the Amalgamating Company 2 will be issued to Third Party Investor 3, together with full legal and beneficial right, title and interest thereto, in exchange for the securities held by Third Party Investor 3 in Specified Company B, such that prior to the Effective Date 2 and the Record Date 2, the Third Party Investor 3 shall become equity shareholders in the Amalgamating Company 2 and the Specified Company B 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 Scheme.

17.3 It is clarified that the Third Party Investor 3 shall be classified as ‘public shareholders’ in the Amalgamated Company upon the allotment of the New Equity Shares pursuant to the Scheme.

## 18. RECORD DATE

18.1 The Board of Directors of the Amalgamated Company, after procuring the consent of the Amalgamating Company 2, shall determine the Record Date 2 (which date shall be subsequent to the Effective Date 2) for issue and allotment of the New Equity Shares of the Amalgamated Company to the shareholders of the Amalgamating Company 2 in terms of Clause 19. Upon determination of the Record Date 2, the Amalgamating Company 2 shall prepare a list of Amalgamating Company 2's equity shareholders as on such Record Date 2, who shall be entitled to receive the New Equity Shares in terms of this Scheme, and provide such list to the Amalgamated Company for issuance and allotment of New Equity Shares to the shareholders of Amalgamating Company 2 in the manner provided in Clause 19.

**19. CONSIDERATION**

19.1 Upon the coming into effect of Part IV of the Scheme, and in consideration of the amalgamation of the Amalgamating Company 2 with the Amalgamated Company pursuant to Part IV of the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Exchange Report, issue and allot to the shareholders of Amalgamating Company 2 (whose name is recorded in the register of members of the Amalgamating Company 2 as holding equity shares on the Record Date 2) New Equity Shares in the following manner, each free and clear of all encumbrances, validly issued and fully paid-up:

"*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*"

19.2 In the event that the New Equity Shares entitled to be issued result in fractional entitlements, the Board of Directors of the Amalgamated Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer.

19.3 Pursuant to issuance of New Equity Shares as aforesaid to the shareholders of the Amalgamating Company 2, the shareholders of the Amalgamating Company 2 shall become the shareholders of the Amalgamated Company.

19.4 Upon the allotment of the New Equity Shares as aforesaid and in compliance with Applicable Law, the Third Party Investor 3 shall not be classified as 'promoter and promoter group' of the Amalgamated Company (as defined under the ICDR).

19.5 Since the equity shares of the Amalgamated Company are in dematerialized form, the shareholders of the Amalgamating Company 2 shall be issued New Equity Shares in dematerialized form.

19.6 New Equity Shares of the Amalgamated Company issued in terms of Clause 19.1 of this Scheme will be listed and/or admitted to trading on the Stock Exchanges where the shares of the Amalgamated Company are listed and/or admitted to trading subject to necessary approvals under SEBI regulations (as applicable) and from the Stock Exchanges and all necessary applications and compliances being made in this respect by the Amalgamated Company.

19.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company 2, the Board of Directors of the Amalgamated Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 2, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date 2, in order to remove any difficulties, after the effectiveness of this Scheme.

19.8 Subject to Clause 20 below, the New Equity Shares to be issued to the members of Amalgamating Company 2 under Clause 19.1 above shall be subject to the memorandum and articles of association of the Amalgamated Company and shall rank *pari passu* with the existing equity shares of Amalgamated Company in all respects for the financial year starting from the Effective Date 2 in terms of the Scheme with the existing equity shares of Amalgamated Company.

**20. DIVIDEND PAYABLE BETWEEN DATE OF APPROVAL OF THE SCHEME BY THE BOARD OF DIRECTORS AND EFFECTIVE DATE 2**

20.1 Notwithstanding anything provided in this Scheme, in case dividend (including interim dividend), is declared either by Amalgamated Company or Amalgamating Company 2 prior to the Effective Date 2, it shall be payable to their respective shareholders whose name is recorded in the register of members of the Amalgamated Company and/or Amalgamating Company 2 as holding equity shares on the date of declaration of such dividend or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Amalgamated Company and/ or Amalgamating Company 2 respectively.

20.2 It is clarified that the aforesaid provision in respect of declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any member of the Amalgamated Company and Amalgamating Company 2 to demand or claim any dividends which, subject to the provisions of the 2013 Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamated Company and Amalgamating Company 2 and subject to the approval of the shareholders of the Amalgamated Company and Amalgamating Company 2 respectively.

**20A CANCELLATION OF EXISTING SHARES OF AMALGAMATING COMPANY 2**

20A.1 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 Sections 230 to 232 of the 2013 Act and any other relevant provisions of the Act, without any further act or deed, without any payment to any person, upon Part IV of this Scheme becoming effective.

20A.2 It is clarified that the cancellation of issued and paid-up equity shares of Amalgamating Company 2 shall be effected as an integral part of this Scheme under Section 230 to 232 of the 2013 Act and accordingly, consent of the shareholders of the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company to this Scheme shall be deemed to be sufficient for purposes of effecting the above and that no further action or procedure under Section 66 or any other applicable provision of the 2013 Act shall be separately required.

20A.3 Upon Part IV of the Scheme coming into effect and the dissolution of the Amalgamating Company 2, the existing share capital of the Amalgamating Company 2 shall stand cancelled without any action, instrument, deed or payment required to be done or made by the Amalgamating Company 2 or the Amalgamated Company. In accordance with the explanation to Section 230 of the 2013 Act, the provisions of Section 66 of the 2013 Act shall not apply to any such reduction effected in pursuance of the order of the NCLT sanctioning the Scheme.

**21. CHANGE IN AUTHORISED SHARE CAPITAL**

21.1 Upon Part IV of this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company 2 in the Amalgamated Company pursuant to the terms of this Scheme, the entire authorized share capital of the Amalgamating Company 2 shall stand transferred from the authorized share capital of the Amalgamating Company 2 to the authorized share capital of the Amalgamated Company without any further act or deed.

21.2 By virtue of Clause 21.1 above, Clause V of the memorandum of association of the Amalgamated Company and relevant clause, if any, of the articles of association of Amalgamated Company relating to authorised share capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13, Section 14, Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be to reflect the aggregate of the authorised share capital of the Amalgamating Company 2 and the Amalgamated Company as of the date immediately prior to the Effective Date 2.

21.3 For the avoidance of doubt, it is hereby clarified that if the authorized share capital of the Amalgamating Company 2 and/or the Amalgamated Company undergoes any change, either as a consequence of any corporate action pursuant to Clause 16.2 or Clause 17 or otherwise, then the authorized share capital to be specified in Clause V of the memorandum of association of the Amalgamated Company and relevant clause, if any, of the articles of association of Amalgamated Company relating to authorised share capital with effect from the Effective Date 2 shall automatically stand modified to take into account the effect of the change.

21.4 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company 2 are permitted to be utilized and applied towards the increase in the authorized share capital of the

Amalgamated Company in accordance with Clause 23.1 above, and no further demand of additional stamp duty (other than differential duty under Section 232 of the 2013 Act is required) or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the relevant Registrar of Companies.

21.5 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with Clause 21.1 above, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 13, Section 14, Section 61 or any other applicable provisions of the 2013 Act, would be required to be separately passed.

**22. ACCOUNTING TREATMENT**

The amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company pursuant to Part IV of this Scheme will be accounted for in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combinations) as notified under Section 133 of the 2013 Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

**23. TAX**

23.1 On the Effective Date 2, any tax liabilities under the IT Act or other applicable laws/regulations dealing with taxes/duties/levies allocable or related to the business of Amalgamating Company 2 to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Effective Date 2 shall be transferred to the Amalgamated Company and the Amalgamated Company shall duly discharge the obligations under Applicable Law with respect to such tax liabilities.

23.2 Any surplus in the provision for taxation/duties/levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, GST credit, CENVAT credit, as on the date, immediately preceding the Effective Date 2 will also be transferred to the Amalgamated Company on the Effective Date 2. Any refund under the IT Act or other applicable laws/regulations dealing with taxes/duties/levies allocable or related to the business of the Amalgamating Company 2 or due to the Amalgamating Company 2, consequent to the assessment made in respect of the Amalgamating Company 2, for which, no credit is taken in the accounts as on the date immediately preceding the Effective Date 2, shall also belong to and be received by Amalgamated Company on and after the Effective Date 2.

23.3 The tax payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, applicable state value added tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by the Amalgamating Company 2 after the Effective Date 2, shall be deemed to be paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source either by the Amalgamating Company 2 or the Amalgamated Company on account of intercompany transactions between Amalgamated Company and Amalgamating Company 2 after the Effective Date 2, shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.

23.4 Upon Part IV of the Scheme becoming Effective, with effect from the Effective Date 2, the Amalgamated Company is expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns as well as those of/relating to the Amalgamating Company 2 along with the prescribed forms, filings and annexure under the IT Act, central sales tax, applicable state value added tax, service tax laws, goods and services tax and other tax laws, if required, to give effects to provisions of the Scheme.

23.5 All tax assessment proceedings/appeals of whatsoever nature by or against the Amalgamating Company 2 pending and/or arising at the Effective Date 2 and relating to Amalgamating Company 2 shall be continued and/or enforced until the Effective Date 2 as desired by the Amalgamating Company 2. As and from the Effective Date 2, the tax proceedings/appeals shall be continued and enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company 2. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company 2 with the Amalgamated Company or anything contained in the Scheme.

23.6 The provisions of this Scheme as they relate to the amalgamation of Amalgamating Company 2 into and with Amalgamated Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section of the IT Act, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.

## PART V

## GENERAL/RESIDUARY TERMS AND CONDITIONS

### 24. APPLICATION TO THE NCLT

The Amalgamated Company and the Amalgamating Companies shall, with all reasonable dispatch, make their respective/joint applications (as applicable) to the NCLT and/or applicable authority, under Sections 230 to 232 of the 2013 Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the 2013 Act and the SEBI Scheme Circular.

**25.** O3 Capital Global Advisory Private Limited, a SEBI registered Category I merchant banker, pursuant to SEBI Scheme Circular, under its fairness opinion dated August 18, 2020, has certified the Share Exchange Report in reference to the Scheme.

**26.** (i) M/s NSVM & Associates, Chartered Accountants, the statutory auditor of the Amalgamating Company 1, under its certificate dated August 18, 2020; (ii) M/s HRA & Co., Chartered Accountants, the statutory auditor of the Amalgamating Company 2, under its certificate dated August 18, 2020; and (iii) Agarwal Prakash & Co., Chartered Accountants, the statutory auditor of the Amalgamated Company, under its certificate dated August 18, 2020, have respectively certified the accounting treatment under this Scheme to be in accordance with the standards prescribed under Section 133 of the 2013 Act.

**27. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon the satisfaction or waiver (if capable of being waived per requirements of Applicable Law) of the following conditions:

(i) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Amalgamating Companies and, the Amalgamated Company as may be directed by the NCLT under Section 230 to 232 of the 2013 Act. Furthermore, as provided in Annexure I para I(A)(9)(a) and (b) of the SEBI Scheme Circular, the public shareholders of the Amalgamated Company shall be provided with e-voting facility, as prescribed in Annexure I para I(A)(9)(a) of the SEBI Scheme Circular, and the Scheme shall be acted upon only if the votes cast by the public shareholders of the Amalgamated Company in favour of the proposal are more than the number of votes cast by the public shareholders of Amalgamated Company against it;

(ii) The CCI Approval;

(iii) The Stock Exchanges Approval;

(iv) The RERA Approval(s), as applicable;

(v) Approvals from SEBI and/or the Stock Exchanges, as may be required;

(vi) The LSE Approval, if applicable;

(vii) All other Governmental Approvals, as may be required under Applicable Law;

(viii) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;

(ix) Due compliance by the Amalgamating Companies and Amalgamated Company with any other conditions stipulated by any Governmental Authority, in a form and substance acceptable to the Amalgamating Companies and Amalgamated Company;

(x) The certified copies of the order(s) of the NCLT(s) sanctioning the Scheme being filed by the Amalgamating Company 1 and the Amalgamated Company with the relevant Registrar of Companies with regard to Part III of the Scheme, after completion of the exchange of securities at the Amalgamating Company 1 in the manner set out at Clause 5 of Part III of this Scheme;

(xi) The certified copies of the order(s) of the NCLT(s) sanctioning the Scheme being filed by the Amalgamating Company 2 and the Amalgamated Company with the relevant Registrar of Companies with regard to Part IV of the Scheme, subject to the effectiveness of the IPPL Demerger (in accordance with the terms thereof) and after the completion of the exchange of securities at the Amalgamating Company 2 as provided under Clause 17 of Part IV of this Scheme; and

(xii) Due compliance by the Amalgamating Companies and Amalgamated Company with any other sanctions and orders as may be directed by the NCLT in respect of the Scheme, in a form and substance acceptable to the Amalgamating Companies and Amalgamated Company.

## 28. MODIFICATION OR AMENDMENTS TO THE SCHEME

28.1 Each of the Amalgamating Companies and the Amalgamated Company (acting through their respective Boards of Directors) may, in a mutually agreeable manner, assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose 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. Each of the Amalgamating Companies and the Amalgamated Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

28.2 In the event any of the conditions that may be imposed by the NCLT or other Governmental Authorities are found unacceptable for any reason by the Amalgamating Companies and the Amalgamated Company or in the event conditions mutually agreed in writing between the Amalgamating Companies and the Amalgamated Company (if any) are not fulfilled or met, then the Amalgamating Companies and/or Amalgamated Company are at liberty to withdraw the Scheme, in the manner mutually agreed. The Board of Directors of the Amalgamated Company and the Amalgamating Companies shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on the Amalgamated Company and/or the Amalgamating Companies.

28.3 If any issue arises as to whether any asset, liability, employee pertains to the Amalgamating Companies and/or Amalgamated Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Amalgamating Companies and/or Amalgamated Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes.

**29. EFFECT OF NON-RECEIPT OF APPROVALS**

29.1 In the event that the Scheme is not sanctioned by the NCLT or 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 Scheme shall become null and void, the Amalgamating Companies and the Amalgamated Company shall bear their respective costs, charges and expenses in connection with the Scheme unless otherwise mutually agreed.

29.2 The non–receipt of any sanctions or approvals for a particular asset or liability forming part of the Amalgamating Companies getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Amalgamating Companies and/or the Amalgamated Company so decide in mutual agreement.

**30. COSTS, CHARGES & EXPENSES**

30.1 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.

30.2 Upon the Scheme becoming effective, all taxes including duties, 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 this Scheme and matters incidental thereto shall be borne by the Amalgamated Company.

## 31. MISCELLANEOUS

If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Companies and Amalgamated Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to Amalgamating Companies and/or the Amalgamated Company, in which case the Amalgamating Companies and the Amalgamated Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Companies and the Amalgamated Company the benefits and obligations of the Scheme, including but not limited to such Part.

Date: 18 August 2020

To,
The Board of Directors
Indiabulls Real Estate Limited
M – 62 & 63, First Floor,
Connaught Place, New Delhi-110001

To,
The Board of Directors
NAM Estates Private Limited
1st Floor, Embassy point, No. 150,
Infantry road, Bengaluru- 560001

To,
The Board of Directors,
Embassy One Commercial Property Development Private Limited,
1st Floor, Embassy point, No. 150,
Infantry road, Bengaluru-560001.

**Subject: Recommendation of fair share exchange ratio for the proposed amalgamation of NAM Estates Private Limited ('NEPL') with Indiabulls Real Estate Limited ('IBREL')**

**Recommendation of fair share exchange ratio for the proposed amalgamation of Embassy One Commercial Property Development Private Limited ('EOCDPL') with Indiabulls Real Estate Limited ('IBREL')**

Dear Sir/ Madam,

We refer to the engagement letter and discussion undertaken with the Management of Indiabulls Real Estate Limited ('IBREL' or 'Amalgamated Company'), NAM Estates Private Limited ('NEPL' or 'Amalgamating Company 1') and Embassy One Commercial Property Development Private Limited ('EOCDPL' or 'Amalgamating Company 2') (hereinafter all of them together referred to as 'the Management'), wherein the Management has requested N S KUMAR & CO., Chartered Accountants ('NSK', 'we' or 'us') to undertake a valuation exercise and recommend a:

1. Fair share exchange ratio for the proposed amalgamation of NEPL (Amalgamating Company 1) with IBREL (Amalgamated Company); and
2. Fair share exchange ratio for the proposed amalgamation of EOCDPL (Amalgamating Company 2) with IBREL (Amalgamated Company);

Hereinafter both the aforesaid proposed transaction shall together be referred to as the 'proposed amalgamation'; the Management including the Board of Directors of IBREL, NEPL and EOCDPL shall together be referred to as 'the Management'; and the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company shall together be referred to as 'Transacting Companies'.

Please find enclosed the report (comprising 22 pages including annexures) detailing our recommendation of fair share exchange ratios for the proposed amalgamation, the methodologies employed, and the assumptions used in our analysis.

This report sets out our scope of work, background, procedures performed by us, source of information and our recommendation of the fair share exchange ratio.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

**Indiabulls Real Estate Limited ('IBREL' or 'Amalgamated Company')** was incorporated on 04 April 2006 and is engaged in the business of construction and development of residential and commercial properties across multiple geographical locations in India. The equity shares of IBREL are listed on BSE and NSE; and its Global Depository Receipt (GDR) are listed on Luxembourg Stock Exchange.

**NAM Estates Private Limited ('NEPL' or 'Amalgamating Company 1')** was incorporated on 02 June 1995 and is a part of the Bengaluru headquartered Embassy Group. NEPL is engaged in the business of construction and development of real estate projects (both residential and commercial) and provides allied services.

**Embassy One Commercial Property Development Private Limited ('EOCDPL' or 'Amalgamating Company 2')** was incorporated on 03 July 2018 and is a subsidiary of Embassy Property Developers Private Limited, which pursuant to internal reorganization would become a wholly owned subsidiary of NEPL. EOCDPL is engaged in the business of providing common area maintenance services to construction and development of real estate projects and other related activities.

We understand that the Management of the Transacting Companies are contemplating a proposal wherein they intend to amalgamate NEPL and EOCDPL with IBREL in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI Guidelines and the rules framed therein with respect to the proposed transaction and in a manner provided in the Scheme of Amalgamation ('the Scheme') (hereinafter referred to as 'Proposed Amalgamation'). As per the Scheme, as a consideration for the Proposed Amalgamation, equity shareholders of NEPL and EOCDPL will be issued equity shares of IBREL in the share exchange ratio as determined by the Board of Directors on the basis of share exchange ratio report prepared by a Chartered Accountant as required under the applicable provisions of SEBI Guidelines.

In connection with the above-mentioned Proposed Amalgamation, the Management has appointed N S KUMAR & CO., Chartered Accountants ('NSK') to submit a report recommending a fair share exchange ratio for the Proposed Amalgamation.

We would like to emphasize that certain terms of the Proposed Amalgamation are stated in our report, however the detailed terms of the Proposed Amalgamation shall be more fully described and explained in the scheme document to be submitted with relevant authorities in relation to the Proposed Amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying scheme document.

We understand that the appointed date for the Proposed Amalgamation shall mean the effective date as defined in the Scheme or such other date as the competent authority may direct or approve. We have determined the fair share exchange ratio for the Proposed Amalgamation as at the report date ('Valuation Date').

Prior to the Proposed Amalgamation of NEPL and EOCDPL with IBREL, NEPL is in the process of undertaking an internal restructuring exercise which includes demerger of certain identified completed and under-development residential and commercial undertakings; shares/ securities purchase agreement; business transfer of certain residential units; slump sale of residential undertaking and swap of its equity shares for securities held by third party investors of specified entities which house certain identified projects. EOCDPL is also in the process of entering into definitive share swap agreements with these specified third party investors prior to the scheme being made effective (all these steps together have been referred to as 'Internal Restructuring'). We have for the purpose of our analysis considered that all the above-mentioned steps including the demerger and internal restructuring would be duly implemented/ executed. Our value analysis is subject to the successful completion of the internal restructuring exercise and execution of definitive agreement as mentioned above and defined in the scheme and issue of shares/ securities by NEPL and EOCDPL pursuant to the internal restructuring as represented to us by the Management.

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the transacting companies and then arrive at the fair share exchange ratio using internationally accepted valuation methodologies as may be applicable to the subject companies and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI) and applicable Securities Exchange Board of India ('SEBI') Guidelines as may be applicable to listed entities.

The Management have informed us that:

a) There would not be any capital variation in the Transacting Companies other than variation pursuant to internal restructuring with respect to NEPL and EOCDPL as defined in the Scheme till the proposed amalgamation becomes effective without approval of the shareholders and other relevant authorities;

b) Till the proposed amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different than those declared in the past few years.

c) There are no unusual / abnormal events in the transacting companies other than those represented to us by the Management till the Report Date materially impacting their operating / financial performance.

d) There would be no significant variation between the draft scheme of arrangement and the final scheme approved and submitted with the relevant authorities.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.

N S KUMAR & CO. PUNE NSK Chartered Accountants

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**TRANSACTION OVERVIEW:**

**A) Amalgamation of NEPL with IBREL**

**Internal Restructuring- NAM Estates Private Limited (NEPL)**

NEPL currently undertakes a mixed-use project based out of Bengaluru. Prior to the amalgamation scheme with IBREL being made effective, NEPL intends to undertake certain internal restructuring activities through which it would be transferred certain identified residential and commercial projects either directly or through transfer of investments in the identified entities.

As a part of internal reorganization prior to the filing of the scheme with the competent authorities, Embassy Property Developers Private Limited ('EPDPL'), an Embassy Group company is contemplating to transfer certain completed and under-development residential and commercial projects, either held directly or through its investments in subsidiaries, joint ventures and/or associate entities to NEPL by way of demerger.

Following is a summary of the restructuring activities proposed to be undertaken

**Step 1: Demerger of identified undertaking from EPDPL to NEPL.**

EPDPL shall transfer certain identified assets comprising of completed and under-developed/ongoing residential and commercial projects including investments in special purpose vehicles (SPV), to its wholly owned subsidiary NEPL, through a Scheme of Arrangement ('Scheme') to be approved by the jurisdictional Regional Director ('RD') or any other appropriate authorities of Central Government under Section 233 of the Companies Act, 2013.

As per the Scheme of Arrangement approved by the Board of Directors of NEPL and EPDPL on 06 July 2020, EPDPL shall transfer the following to NEPL:

1. Investments in shares and securities of subsidiary, joint venture and/or associate entities, interest in partnership firm or partnership in Limited Liability Partnership Firm as mentioned in the Scheme.
2. Certain identified completed and under-development residential and commercial projects (including immovable properties).
3. JDAs and Memorandum of Understandings ("MoUs") executed between EPDPL and landowners pertaining to the identified Projects.
4. Certain other movable assets, receivables, etc., and attributable liabilities (specific and general corporate debt) pertaining to the identified projects.
5. All liabilities, contracts, employees, benefits, licenses, approvals, plans and designs, etc., pertaining to the identified projects.
6. Investment in equity shares of IBREL held by EPDPL

As a consideration for the above demerger, NEPL would issue 41 (Forty One) of its fully paid-up equity share of face value of INR 10/- (Rupee Ten Only) each for every 100 (One Hundred) equity share of face value of INR 10/- (Rupee Ten Only) each held in EPDPL.

**Step 2: Transfer of securities of Embassy One Developers Private Limited (EODPL) held by Embassy Inn Private Limited (EIPL) to NEPL by way of Securities Purchase Agreement dated 01 August 2020.**

**Step 3: Transfer of rights in residential units held by OMR Investments LLP (OMR) to Embassy Infra Developers Private Limited (EIDPL) by way of Assignment Agreement For Sale dated 14 August 2020, followed by swap of consideration received for convertible securities of NEPL.**

**Step 4: Slump sale of specified residential undertaking by Udhyaman Investments Private Limited (UIPL) to NEPL.**

**Step 5: Share swap by third party investors of securities held in identified SPV's for equity shares of NEPL.**

Pursuant to the above-mentioned internal restructuring exercise and upon completion of the same, NEPL would be issuing a total of 838,509,386 equity shares.

Through the above-mentioned restructuring exercise, the identified assets/ projects of the Embassy Group shall be pooled into NEPL and thereafter NEPL would merge with IBREL

**B) Amalgamation of EOCDPL with IBREL**

As a part of the Scheme, EOCDPL would merge with IBREL and equity shares of IBREL would be issued as consideration to the shareholders of EOCDPL.

Prior to the implementation of the amalgamation, the existing shareholders of Indiabulls Properties Private Limited ('IPPL') (IPPL would primarily comprise of the residential Project 'Sky' post implementation of the ongoing demerger scheme wherein the commercial undertaking would be demerged out to a separate company) would enter into a swap arrangement for transfer of IPPL shares to EOCDPL in exchange for EOCDPL equity shares.

As a consideration for the above-mentioned swap, EOCDPL would issue 161,600,000 (sixteen crore and sixteen lakh) of its fully paid-up equity shares of face value of INR 10/- each to the existing equity shareholders of IPPL as at the record date.

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N S KUMAR & CO. PUNE Chartered Accountants

**SHAREHOLDING PATTERN OF TRANSACTING COMPANIES:**

**a) Indiabulls Real Estate Private Limited ('IBREL' or 'Amalgamated Company')**

The equity shareholding pattern of IBREL as at the report date is set out below:

| Category of shareholder | Number of shares (Face value of INR 2 each) | Percentage % |
|---|---|---|
| Promoter and Promoter Group | 10,61,89,745 | 23.4% |
| Public | 34,49,56,423 | 75.9% |
| Non Promoter and Non Public | 35,17,708 | 0.8% |
| **Total** | **45,46,63,876** | **100.0%** |

*Note: In addition to the above, IBREL has 118,000 outstanding employee stock options under the IBREL Employee Stock Option Plan 2008 and 1,647,688 outstanding employee stock options under the IBREL Employee Stock Option Plan 2010. The same are outstanding and exercisable as the report date and have accordingly been considered for our valuation workings*

**b) NAM Estates Private Limited ('NEPL' or 'Amalgamating Company 1')**

The equity shareholding pattern of NEPL (pre demerger and internal restructuring) as at the report date is set out below:

| Name | Number of shares (Face value INR 10/- each) | Percentage |
|---|---|---|
| Embassy Property Developments Private Limited (EPDPL) | 70,002 | 100.0% |
| **Total** | **70,002** | **100.0%** |

The proposed equity shareholding pattern of NEPL (post demerger and internal restructuring) as represented to us by the Management:

| Name | Number of shares (Face value of INR 10 each) | Percentage % |
|---|---|---|
| Promoter and group companies | 65,72,56,799 | 78.4% |
| Institutional investor | 18,13,22,589 | 21.6% |
| **Total** | **83,85,79,388** | **100.0%** |

*Note: The abovementioned shareholding pattern is subject to successful completion of demerger and internal restructuring exercise and execution of definitive agreements with respective investors as defined in the scheme; receipt of necessary approvals and implementation of the same prior to the scheme being made effective. We have considered the above number of equity shares outstanding post internal restructuring, for our analysis.*

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c) **Embassy One Commercial Property Development Private Limited ('EOCDPL' or 'Amalgamating Company 2')**

The equity shareholding pattern of EOCDPL (pre-share swap exercise) as at the report date is set out below:

| Name | Number of shares (Face value of INR 10 each) | Percentage % |
|---|---|---|
| Embassy Property Developments Private Limited | 10,000 | 100.0% |
| **Total** | **10,000** | **100.0%** |

The proposed equity shareholding pattern of EOCDPL (post demerger and share swap exercise) as represented to us by the Management:

| Name | Number of shares (Face value of INR 10 each) | Percentage % |
|---|---|---|
| NAM Estates Private Limited | 10,000 | 0.0% |
| IPPL shareholders | 16,16,00,000 | 100.0% |
| **Total** | **16,16,10,000** | **100.0%** |

*Note: The above-mentioned shareholding pattern is subject to successful execution of definitive share swap agreement as defined in the scheme; receipt of necessary approvals and implementation of the same prior to the scheme being made effective. We have considered the above number of equity shares outstanding post share swap exercise, for our analysis.*

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N S KUMAR & CO. PUNE Chartered Accountants

## SOURCES OF INFORMATION

In connection with the recommendation of share exchange ratio, we have used the following information obtained from the Management and/ or gathered from public domain:

### A. Company specific information:

Information provided by the Management which includes:

- Audited standalone / consolidated financial statements for the financial year ended 31 March 2019 and 31 March 2020 of IBREL;
- Audited financial statements for the financial year ended 31 March 2019 and 31 March 2020 of NEPL and identified SPV's forming part of NEPL post demerger and internal restructuring;
- Reviewed carved out statement of assets and liabilities of demerged undertaking of EPDPL as at 31 March 2020;
- Unaudited provisional carved out statement of assets and liabilities of residential undertaking of IPPL as at 31 March 2020;
- Audited financial statement of EOCDPL as at 31 March 2020;
- Reviewed carved out statement of assets and liabilities of undertaking of UIPL as at 31 March 2020 to be transferred to NEPL under slump sale;
- Latest shareholding pattern of IBREL as at the report date;
- Terms of proposed issue/ offer of Compulsory Convertible Debentures (CCDs) including nature of instrument, coupon rate, tenure, conversion terms etc. to be issued by NEPL against the swap of securities held by OMR in EIDPL;
- Copy of draft Business Transfer Agreement (BTA) to be executed with respect to slump sale of business undertaking from UIPL to NEPL;
- Letter of Intent (LOI) issued by the institutional investors of SPVs and shareholders of IPPL with respect to their proposed swap arrangement;
- Details of shares to be issued pursuant to NEPL internal restructuring and proposed shareholding pattern of NEPL (post demerger and internal restructuring) as represented to us by the Management;
- Details of the shares to be issued pursuant to the proposed share swap arrangement between existing shareholders of IPPL and EOCDPL and the proposed shareholding pattern of EOCDPL (post restructuring exercise) as represented to us by the Management;
- Details of assets and commercial interest of NEPL in the identified assets/ SPVs post completion of demerger, internal restructuring exercise and execution of key commercial agreements between SPVs and/ or NEPL;

N S KUMAR & CO. PUNE NSK Chartered Accountants

- Copy of Securities Purchase Agreement dated 01 August 2020 executed between EODPL, EIPL and NEPL;

- Copy of Assignment Agreement For Sale dated 14 August 2020 executed between OMR and EIDPL;

- Details of Employee Stock Options issued by IBREL and outstanding as at the report date including exercise price, grant date, vesting conditions etc.;

- Key financial details with respect to various ongoing and upcoming residential and commercial projects of NEPL and IBREL ('Management Projections') including details such as balance construction cost, sales time line, marketing and other costs, rentals, selling prices, etc. which represents Management's best estimate of the future financial performance of NEPL, IBREL and EOCDPL;

- Details of net debt and other liabilities forming part of the demerged undertakings, SPVs and the transacting companies;

- Board approved scheme of arrangement between EPDPL and NEPL;

- Draft composite scheme of arrangement between NEPL, EOCDPL and IBREL;

- Discussions and correspondence with the Management in connection with business operations, past trends, proposed future business plans and prospects, realizability of assets, etc.

**B. Industry and economy information:**

- Information available in public domain and databases such as Moneycontrol, Capitaline, NSE, BSE etc.

- Such other information and documents as provided by the Management for the purposes of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Transacting Companies have been provided with the opportunity to review the draft report (excluding the recommended fair share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.

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N S KUMAR & CO. PUNE Chartered Accountants

**PROCEDURES ADOPTED**

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to:
  - Understand the business and fundamental factors that affect the business of the entities including their earning generating capability.
  - Enquire about the historical financial performance, current state of affairs, upcoming projects and the future sales estimates with respect to expected sales velocity, sales price and timelines.

- Analysis of information shared by the Management.

- Reviewed the board approved scheme of arrangement between EPDPL and NEPL.

- Reviewed the draft scheme of arrangement between NEPL, EOCDPL and IBREL.

- Reviewed the internal restructuring plan with respect to NEPL including the number of equity shares proposed to be issued pursuant to the proposed internal restructuring.

- Reviewed the restructuring plan of EOCDPL including details with respect to the shares proposed to be issued as consideration for the swap of shares of IPPL;

- Reviewed the terms of Securities Purchase Agreement dated 01 August 2020 executed between EODPL, EIPL and NEPL;

- Reviewed the Assignment Agreement For Sale dated 14 August 2020 including the consideration terms for transfer/ assignment of rights in residential units by OMR to EIDPL

- Reviewed the terms of CCDs including nature of instrument, coupon rate, tenure, conversion terms etc. proposed to be issued by NEPL against the swap of securities held by OMR in EIDPL;

- Reviewed the draft BTA to be executed with respect to slump sale of business undertaking from UIPL to NEPL

- Reviewed the audited financial statements for the financial year ended 31 March 2020 and 31 March 2019 of NEPL, IBREL and EOCDPL and identified SPV's forming part of NEPL post demerger and internal restructuring;

- Reviewed the carved out statement of assets and liabilities of undertaking of UIPL to be transferred to NEPL under slump sale, demerged undertaking of EPDPL and residential undertaking of IPPL as at 31 March 2020;

- Reviewed the future financial details provided by the Management for NEPL, EOCDPL and IBREL including understanding basis of preparation and the underlying assumptions.

- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and analysis of the business operations of the Companies;

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- Arrived at valuations of the Transacting Companies using the method/(s) considered appropriate; and

- Arrived at the fair share exchange ratio for the proposed amalgamation of NEPL and EOCDPL with IBREL.

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## SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

This report, its contents and the results herein are specific and subject to:

- the purpose of the valuation agreed as per the terms of the engagement;
- the date of the report;
- the proposed shareholding pattern of NEPL and EOCDPL (after considering the effect of demerger and internal restructuring);
- latest shareholding pattern of IBREL;
- realization of cashflow projections and other estimates as provided by the Management;
- successful implementation of internal restructuring with respect to NEPL including obtaining necessary approval for demerger scheme, slump sale and share swap arrangements and entering into definitive agreement with respective investors as defined in the scheme;
- successful implementation of demerger scheme with respect to demerger of commercial undertaking of IPPL;
- successful execution of definitive share swap agreements by EOCDPL with IPPL shareholders as defined in the scheme;
- realisation of the immovable properties held by Transacting Companies at their estimated fair values;
- realisation of assets at the values considered in the financial statement and no additional outflow other than liabilities recorded in the financials and represented to us by the Management;
- market price reflecting the fair value of the underlying equity shares;
- data detailed in the section - Sources of Information

We have been informed that the business activities of the Transacting Companies have been carried out in the normal and ordinary course between the latest available financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financial statements and the report date.

A value analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors e.g. Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statement, but which will strongly influence the worth of a share.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies till the date of this report and other sources, and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair share exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the fair share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share exchange ratio at which the proposed transaction shall take place will be with the Board of Directors, who should take into account other factors such as their own assessment of the proposed transaction and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section – Sources of Information.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of

- the accuracy of information made available to us by the Management which formed a substantial basis for the report; and
- the accuracy of information that was publicly available.

We have not carried out a due diligence or audit or review of the Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the proposed transaction. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management has indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Companies. However, nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.



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This report does not look into the business/ commercial reasons behind the proposed transaction nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of fair share exchange ratio only.

We would like to emphasize that prior to the implementation of the proposed amalgamation, NEPL is in the process of undertaking internal restructuring exercise including execution of definitive agreements with respective institutional investor as detailed in the Scheme. Similarly, EOCDPL would also execute definitive share swap agreements as detailed in the Scheme. Our value analysis is subject to the successful completion of the internal restructuring exercise, obtaining necessary approvals and execution of definitive agreement as mentioned above and defined in the scheme and issue of shares by NEPL and EOCDPL pursuant to the arrangement as represented to us by the Management upon the completion of all the above mentioned steps and no other consideration being issued / paid for the restructuring.

Certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

We would like to emphasize that latest financials and key financial details of the Transacting Companies including the identified SPVs and various undertaking forming part of internal restructuring exercise, as at the report date were not provided by the Management for the purpose of our value analysis, however, the Management has represented that they do not expect significant change in financial details and net asset position between 31 March 2020 and the report date. We have therefore considered key financial details with respect to various completed/ ongoing/ upcoming projects and the financial statements including carve outs as at 31 March 2020 for the purpose of our value analysis.

Realization of forecasted free cash flow forecast or the realizability of the assets at the values considered in our analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis therefore, will not, and cannot be directed to provide any assurance about the achievability of the final projections or the realisation of the assets at the values considered. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that our conclusions are based on the forecasts, we express no opinion on achievability of those forecasts. The fact that we have considered the projections in this valuation exercise should not be construed or taken as our being associated with or a party to such projections.

We must emphasize that for valuing the transacting companies, we have relied on the Management projections/estimates, as prepared and provided to us by the Management. We did not carry out any validation procedures or due diligence with respect to the information provided/ extracted or carry out any verification of the assets or comment on the achievability of the assumptions underlying the Management Projections, save for satisfying ourselves to the extent possible that they are consistent with other information provided to us during the course of this engagement.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of the Transacting Companies who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall the liability of NSK exceed the amount as agreed in our Engagement Letter.

This valuation report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the share exchange ratio for the proposed transaction and relevant filing with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of IBREL shall trade following announcements of the proposed transaction and we express no opinion or recommendation as to how shareholders of the Transacting Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

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**VALUATION APPROACHES**

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to project related performance, market, industry performance and general business and economic conditions, many of which are beyond the control of the company.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Asset Approach – Net Asset Value method
2. Market Approach:
    a) Market Price method
    b) Comparable Companies Market Multiple method
3. Income Approach – Discounted Cash Flow method

For the proposed transaction, we have considered the following commonly used and accepted methods for determining the value of the equity shares of the transacting companies for the purpose of recommending the fair share exchange ratio, to the extent relevant and applicable:

**1. Asset Approach - Net Asset Value Method ('NAV')**

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for business which derives value mainly from the underlying value of its assets rather than its earnings. This value analysis approach may also be used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominates earning capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

*NEPL, EOCDPL and IBREL operate in the real estate business, where assets are primarily carried at cost. Future earnings / cashflows from the projects are the major value drivers for a real estate company. Since NAV Method does not value the future profit / cashflow generating ability of the business, we have not used this method to value the Transacting Companies.*

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## 2. Market Approach

### a) Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the shares as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

*In the present case, the equity shares of IBREL are listed on NSE and BSE and are regularly traded with reasonable volumes. We have therefore used the market price approach to value the equity shares of IBREL.*

*Equity shares of NEPL and EOCDPL are not listed on any stock exchange and we have therefore not considered the market price method to value their shares.*

*Since in the subject case equity shares of a listed company would be issued to the shareholders of an unlisted company, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time, the regulation reads as under:*

*The price of equity shares to be issued shall be determined either by Regulation 164 or Regulation 164B, as may be opted for by the Company, which read as under:*

***Regulation 164***

*If the equity shares of the issuer have been listed on a recognised stock exchange for a period of twenty six weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:*

*a. the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the* ***twenty-six weeks*** *preceding the relevant date; or*

*b. the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the* ***two weeks*** *preceding the relevant date.*

***Regulation 164B***

*The price of the equity shares to be allotted pursuant to the preferential issue shall not be less than the higher of the following:*

*(a) the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the* ***twelve weeks*** *preceding the relevant date; or*

*(b) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the* ***two weeks*** *preceding the relevant date.*

*The relevant date for the purpose of computing the price of the equity shares of IBREL has been considered to be the date of the board meeting of IBREL approving the Scheme i.e. 18 August 2020. We have therefore considered the prices upto a day prior to the relevant date i.e. till 17 August 2020, to ensure that the price of IBREL shares being considered for the exchange are above the minimum price arrived under the above formula prescribed under Regulation 164 and Regulation 164B.*

*Refer Annexure-2 for the working with respect to the prices arrived under the above applicable regulations.*

**b) Comparable Companies Multiples ('CCM') / Comparable Transactions Multiples ('CTM') method**

Under CCM, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. CCM applies multiples derived from similar or 'comparable' publicly traded companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

*Value of real estate companies are dependent upon various factors such as location of the projects, stage of completion, type of projects i.e. residential or commercial, etc. Based on our analysis and discussion with the Management, we understand there are no comparable listed companies which have similar business models and have similar operating/ financial metrics as that of the Transacting Companies, we have therefore not used CCM method.*

Under CTM, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

*Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions involving companies of similar nature and having a similar operating/ financial metrics as that of the Transacting Companies, we have therefore not used CTM method.*

**3. Income Approach – Discounted Cash Flow Method ('DCF')**

DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the terminal value at an appropriate discount factor. The free cash flows represent the cash available for distribution to both the owners of and lenders to the business. The terminal value represents the total value of the available cash flow for all periods subsequent to the forecast period. The terminal value of the business at the end of the forecast period is estimated and discounted to its equivalent present value and added to the present value of the explicit forecast period cash flow to estimate the value of the business.

The projected free cash flows are discounted by the WACC to arrive at the enterprise value. The WACC represents the returns required by the investors of both debt and equity weighed to their relative funding in the entity.

To arrive at the equity value, we have adjusted the amount of net debt as at 31 March 2020 from the enterprise value.

Using the DCF analysis involves determining the following:

**Estimating future cash flows:**

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of capital.

**Appropriate discount rate to be applied to cash flows i.e. the weighted average cost of capital ('WACC')**

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and lenders), weighted by their relative contribution to the total capital of a company. The opportunity cost to the capital providers equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

To arrive at the total value attributable to the equity shareholders of the business, value arrived through DCF method for the company is adjusted for the value of loans, excess cash, inflow on exercise of options, non-operating assets/ liabilities (e.g. fair value of investments, any contingent liabilities, etc.). The total value for equity shareholders is then divided by the total number of equity shares (on fully diluted basis) to arrive at the value per equity share of the Company.

For the purpose of DCF value analysis, the free cash flows are based on projections and other information that are provided by the Management and appropriate adjustments wherever necessary based on our discussion and analysis.

*NEPL, EOCDPL and IBREL presently operate as a going concern and are engaged in the real estate business, where discounted cash flow method is the commonly used methodology for valuing the projects. We have therefore used DCF Method which is one of the most commonly used internationally accepted pricing methodology for valuing such companies.*

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**RECOMMENDATION OF THE RATIO OF SHARE EXCHANGE FOR THE PROPOSED AMALGAMATION**

The fair share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Amalgamating companies and Amalgamated company for the proposed scheme of amalgamation based on the various methodologies mentioned herein earlier. Suitable rounding off have been carried out wherever necessary to arrive at the fair share exchange ratio.

*Refer Annexure 1 for detailed share exchange ratio related workings.*

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope limitations and assumptions describe in this report and the engagement letter, we recommend the share exchange ratio as follows:

1) **To the equity shareholders of NEPL**

   6,619 (Six Thousand Six Hundred and Nineteen) equity shares of IBREL having face value of INR 2 each fully paid up shall be issued for every 10,000 equity shares held in NEPL having face value of INR 10 each fully paid up.

2) **To the equity shareholders of EOCDPL**

   5,406 (Five Thousand Four Hundred and Six) equity shares of IBREL having face value of INR 2 each fully paid up shall be issued for every 10,000 equity shares held in EOCDPL having face value of INR 10 each fully paid up.

Respectfully submitted,

N S KUMAR & CO
Chartered Accountants
ICAI Firm Registration No: 139792W

N S KUMAR & CO. PUNE M.No. 121635 Firm Reg. No. 139792W CHARTERED ACCOUNTANTS

Niranjan Kumar
Proprietor
Membership No. 121635
UDIN: 20121635AAAADR5929

Date: 18 August 2020
Place: Pune

## Annexure 1: Summary of share exchange ratio

### Amalgamation of NEPL (Amalgamating Company 1) and EOCDPL (Amalgamating Company 2) with IBREL (Amalgamated Company)

Amount in INR

| Valuation Approach | Note | IBREL (A) | | NEPL (B) | | EOCDPL (C) | |
|---|---|---|---|---|---|---|---|
| | | Value per share (INR) | Weight (%) | Value per share (INR) | Weight (%) | Value per share (INR) | Weight (%) |
| Asset approach- NAV Method | 1 | NA | 0.0% | NA | 0.0% | NA | 0.0% |
| Income approach- Discounted Cash Flow Method | 2 | 102.22 | 75.0% | 61.23 | 100.0% | 50.01 | 100.0% |
| Market approach- Market Price Method | 3 | 63.35 | 25.0% | NA | 0.0% | NA | 0.0% |
| **Relative value per share** | | **92.50** | **(A)** | **61.23** | **(B)** | **50.01** | **(C)** |
| **Share Exchange Ratio** | | | | **0.6619** | **(B/A)** | **0.5406** | **(C/A)** |
| **Recommended Share Exchange Ratio: (For every 10,000 equity shares)** | | | | **6,619** | | **5,406** | |

*NA: Not Adopted*

**Notes:**

1) **Asset Approach- NAV Method**

IBREL, NEPL and EOCDPL operate in the real estate business, where assets are primarily carried at cost. Future earnings / cashflows from the projects are the major value drivers for a real estate company. Since NAV Method does not value the future profit / cashflow generating ability of the business, we have not used this method to value the Transacting Companies.

2) **Income Approach- Discounted Cash Flow Method**

IBREL, NEPL and EOCDPL presently operate as a going concern and are engaged in the real estate business, where discounted cash flow method is the commonly used methodology for valuing the projects. We have therefore used DCF Method which is one of the most commonly used internationally accepted pricing methodology for valuing such companies.

3) **Market Approach- Market Price Method**

Equity shares of NEPL and EOCDPL is not listed on any stock exchange and we have therefore not considered the market price method to value their shares.

However the equity shares of IBREL are listed on NSE and BSE and are regularly traded with reasonable volumes. We have therefore used the market price approach to value the equity shares of IBREL. Since the relevant date is 18 August 2020, we have considered the volume weighted average price (VWAP) over the last 2 weeks prior to the relevant date i.e. till 17 August 2020 for the purpose of arriving at the market price.

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Annexure-2

**Fair value of equity shares of IBREL as per SEBI ICDR Guidelines is set out below:**

**Calculation of weekly Volume Weighted Average Price (VWAP):**

| Week | From date | To date | VWAP High | VWAP Low | VWAP Average |
|---|---|---|---|---|---|
| 1 | 18-Feb-20 | 24-Feb-20 | 90.60 | 84.98 | 87.79 |
| 2 | 25-Feb-20 | 02-Mar-20 | 83.51 | 74.72 | 79.12 |
| 3 | 03-Mar-20 | 09-Mar-20 | 73.88 | 66.10 | 69.99 |
| 4 | 11-Mar-20 | 16-Mar-20 | 62.80 | 53.95 | 58.38 |
| 5 | 17-Mar-20 | 23-Mar-20 | 51.30 | 42.80 | 47.05 |
| 6 | 24-Mar-20 | 30-Mar-20 | 40.70 | 37.89 | 39.30 |
| 7 | 31-Mar-20 | 03-Apr-20 | 40.78 | 40.42 | 40.60 |
| 8 | 07-Apr-20 | 13-Apr-20 | 44.64 | 42.65 | 43.65 |
| 9 | 15-Apr-20 | 20-Apr-20 | 54.44 | 47.12 | 50.78 |
| 10 | 21-Apr-20 | 27-Apr-20 | 62.96 | 54.31 | 58.64 |
| 11 | 28-Apr-20 | 04-May-20 | 60.98 | 55.65 | 58.32 |
| 12 | 05-May-20 | 11-May-20 | 53.13 | 48.54 | 50.84 |
| 13 | 12-May-20 | 18-May-20 | 46.86 | 41.99 | 44.43 |

| Week | From date | To date | VWAP High | VWAP Low | VWAP Average |
|---|---|---|---|---|---|
| 14 | 19-May-20 | 22-May-20 | 41.16 | 40.73 | 40.95 |
| 15 | 26-May-20 | 01-Jun-20 | 44.88 | 42.53 | 43.71 |
| 16 | 02-Jun-20 | 08-Jun-20 | 48.78 | 43.97 | 46.38 |
| 17 | 09-Jun-20 | 15-Jun-20 | 52.09 | 48.65 | 50.37 |
| 18 | 16-Jun-20 | 22-Jun-20 | 51.05 | 45.70 | 48.38 |
| 19 | 23-Jun-20 | 29-Jun-20 | 54.89 | 51.19 | 53.04 |
| 20 | 30-Jun-20 | 06-Jul-20 | 59.06 | 49.76 | 54.41 |
| 21 | 07-Jul-20 | 13-Jul-20 | 69.06 | 60.83 | 64.95 |
| 22 | 14-Jul-20 | 20-Jul-20 | 64.21 | 59.26 | 61.74 |
| 23 | 21-Jul-20 | 27-Jul-20 | 59.46 | 52.59 | 56.03 |
| 24 | 28-Jul-20 | 03-Aug-20 | 53.00 | 49.81 | 51.41 |
| 25 | 04-Aug-20 | 10-Aug-20 | 57.15 | 54.64 | 55.90 |
| 26 | 11-Aug-20 | 17-Aug-20 | 69.04 | 61.78 | 65.41 |

| Minimum price prescribed under Regulation 164: | Price |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 26 weeks preceding the relevant date | 54.67 |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | 60.65 |
| **Higher of the above two considered as minimum price under Regulation 164** | **60.65** |

| Minimum price prescribed under Regulation 164B: | Price |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 12 weeks preceding the relevant date | 54.31 |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | 60.65 |
| **Higher of the above two considered as minimum price under Regulation 164B** | **60.65** |

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N S KUMAR & CO. PUNE Chartered Accountants NSK

Date: 1 December 2020

To,
The Board of Directors
Indiabulls Real Estate Limited
M – 62 & 63, First Floor,
Connaught Place, New Delhi-110001

To,
The Board of Directors
NAM Estates Private Limited
1st Floor, Embassy point, No. 150,
Infantry road, Bengaluru- 560001

To,
The Board of Directors,
Embassy One Commercial Property Development Private Limited,
1st Floor, Embassy point, No. 150,
Infantry road, Bengaluru-560001.

**Subject: Addendum to Valuation Report Dated 18 August 2020 issued to recommend fair share exchange ratio for the proposed amalgamation of NAM Estates Private Limited (NEPL) and Embassy One Commercial Property Development Private Limited ('EOCDPL') with Indiabulls Real Estate Limited ('IBREL')**

Dear Sir/ Madam,

Further to our report dated 18 August 2020 recommending a:

1. Fair share exchange ratio for the proposed amalgamation of NEPL (Transferor Company 1) with IBREL (Transferee Company); and
2. Fair share exchange ratio for the proposed amalgamation of EOCDPL (Transferor Company 2) with IBREL (Transferee Company);

Find enclosed a detailed working of the higher of 2 weeks and 26 weeks price to be considered as the minimum price for issue of shares as per Regulation 164 of ICDR Regulation 2018 for the purpose of valuation of equity shares of IBREL.

For the purpose of our valuation analysis, we have considered minimum price based on the minimum pricing as arrived at in accordance with Regulation 164 of ICDR.

We had considered the relevant date for pricing of equity as the date of Board Meeting i.e.18 August 2020 and accordingly considered prices upto a day prior to the relevant date, i.e. till 17 August 2020.

Respectfully submitted,

N S KUMAR & CO.
Chartered Accountants
ICAI Firm Registration No. 139792W

Niranjan S Kumar
Proprietor
Membership No. 121635
UDIN: 20121635AAAAEZ6672

N S KUMAR & CO. PUNE M.No. 121635 Firm Reg. No. 139792W CHARTERED ACCOUNTANTS

Place: Pune
Date: 1 December 2020

**Annexure**

**Fair value of equity shares of IBREL as per SEBI ICDR Regulation 164**

Calculation of weekly Volume Weighted Average Price (VWAP)

Calculation of 26 weeks VWAP:

| Week | From date | To date | VWAP | | |
|---|---|---|---|---|---|
| | | | High | Low | Average |
| 1 | 18-Feb-20 | 24-Feb-20 | 90.60 | 84.98 | 87.79 |
| 2 | 25-Feb-20 | 02-Mar-20 | 83.51 | 74.72 | 79.12 |
| 3 | 03-Mar-20 | 09-Mar-20 | 73.88 | 66.10 | 69.99 |
| 4 | 11-Mar-20 | 16-Mar-20 | 62.80 | 53.95 | 58.38 |
| 5 | 17-Mar-20 | 23-Mar-20 | 51.30 | 42.80 | 47.05 |
| 6 | 24-Mar-20 | 30-Mar-20 | 40.70 | 37.89 | 39.30 |
| 7 | 31-Mar-20 | 03-Apr-20 | 40.78 | 40.42 | 40.60 |
| 8 | 07-Apr-20 | 13-Apr-20 | 44.64 | 42.65 | 43.65 |
| 9 | 15-Apr-20 | 20-Apr-20 | 54.44 | 47.12 | 50.78 |
| 10 | 21-Apr-20 | 27-Apr-20 | 62.96 | 54.31 | 58.64 |
| 11 | 28-Apr-20 | 04-May-20 | 60.98 | 55.65 | 58.32 |
| 12 | 05-May-20 | 11-May-20 | 53.13 | 48.54 | 50.84 |
| 13 | 12-May-20 | 18-May-20 | 46.86 | 41.99 | 44.43 |
| 14 | 19-May-20 | 22-May-20 | 41.16 | 40.73 | 40.95 |
| 15 | 26-May-20 | 01-Jun-20 | 44.88 | 42.53 | 43.71 |
| 16 | 02-Jun-20 | 08-Jun-20 | 48.78 | 43.97 | 46.38 |
| 17 | 09-Jun-20 | 15-Jun-20 | 52.09 | 48.65 | 50.37 |
| 18 | 16-Jun-20 | 22-Jun-20 | 51.05 | 45.70 | 48.38 |
| 19 | 23-Jun-20 | 29-Jun-20 | 54.89 | 51.19 | 53.04 |
| 20 | 30-Jun-20 | 06-Jul-20 | 59.06 | 49.76 | 54.41 |
| 21 | 07-Jul-20 | 13-Jul-20 | 69.06 | 60.83 | 64.95 |
| 22 | 14-Jul-20 | 20-Jul-20 | 64.21 | 59.26 | 61.74 |
| 23 | 21-Jul-20 | 27-Jul-20 | 59.46 | 52.59 | 56.03 |
| 24 | 28-Jul-20 | 03-Aug-20 | 53.00 | 49.81 | 51.41 |
| 25 | 04-Aug-20 | 10-Aug-20 | 57.15 | 54.64 | 55.90 |
| 26 | 11-Aug-20 | 17-Aug-20 | 69.04 | 61.78 | 65.41 |
| **Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 26 weeks preceding the relevant date** | | | | | **54.67** |

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Calculation of 2 weeks VWAP:

| Week | From date | To date | VWAP | | |
|---|---|---|---|---|---|
| | | | High | Low | Average |
| 1 | 04-Aug-20 | 10-Aug-20 | 57.15 | 54.64 | 55.90 |
| 2 | 11-Aug-20 | 17-Aug-20 | 69.04 | 61.78 | 65.41 |
| **Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date** | | | | | **60.65** |

Minimum price under Regulation 164:

| Minimum price prescribed under Regulation 164 | Price |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 26 weeks preceding the relevant date | 54.67 |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | 60.65 |
| **Higher of the two considered for the purpose of valuation** | **60.65** |

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**Valuation summary and calculation of values considered**

| Valuation approach | IBREL | | NEPL | | EOCDPL | |
|---|---|---|---|---|---|---|
| | Value per share (INR) | Weight (%) | Value per share (INR) | Weight (%) | Value per share (INR) | Weight (%) |
| Asset approach- NAV method | NA | 0.0% | NA | 0.0% | NA | 0.0% |
| Income approach- Discounted Cash Flow method | 102.22 | 75.0% | 61.23 | 100.0% | 50.01 | 100.0% |
| Market approach- Market Price method | 63.35 | 25.0% | NA | 0.0% | NA | 0.0% |
| **Relative value per share** | **92.50** | **(A)** | **61.23** | **(B)** | **50.01** | **(C)** |
| **Share exchange ratio** | | | **0.6619** | **(B/A)** | **0.5406** | **(C/A)** |
| **Recommended share exchange ratio: (For every 10,000 equity shares)** | | | **6,619** | | **5,406** | |

## 1. Market price considered for IBREL

2-weeks Volume Weighted Average Price ('VWAP') based on prices from NSE

| Date | Volume (A) | Value (in INR) (B) |
|---|---|---|
| 04-Aug-20 | 1,879,836 | 102,707,509 |
| 05-Aug-20 | 2,011,071 | 112,478,879 |
| 06-Aug-20 | 1,402,956 | 78,241,640 |
| 07-Aug-20 | 2,235,693 | 122,415,180 |
| 10-Aug-20 | 3,682,531 | 210,441,106 |
| 11-Aug-20 | 6,718,573 | 415,061,903 |
| 12-Aug-20 | 4,706,281 | 295,066,142 |
| 13-Aug-20 | 7,796,528 | 516,151,208 |
| 14-Aug-20 | 7,462,152 | 509,099,183 |
| 17-Aug-20 | 6,867,245 | 474,135,566 |
| **Total** | **44,762,866** | **2,835,798,315** |
| **2 weeks VWAP (B/A)** | | **63.35** |

The 2 weeks VWAP has been calculated by dividing the total value by the total volume for the past 2 weeks on NSE preceding the relevant date, i.e. till 17 August 2020, as given in the table above.

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**2. Value of IBREL as per Discounted Cash Flow method:**

INR in Crore

| Particulars | Amount |
|---|---|
| Net present value of the project cash flows | 5,571.0 |
| Add: Value of land bank | 1,062.5 |
| **Enterprise value** | **6,633.5** |
| Less: Other adjustments | (1,978.2) |
| Add: Amount receivable from ESOPs | 10.3 |
| **Equity value** | **4,665.6** |
| Number of equity shares outstanding (including ESOP) | 456,429,564 |
| **Equity value per share** | **102.22** |

**3. Value of NEPL as per Discounted Cash Flow method**

INR in Crore

| Particulars | Amount |
|---|---|
| Net present value of project cash flows | 9,279.8 |
| **Enterprise Value of Assets** | **9,279.8** |
| Less: Other Adjustments as at the valuation date | (4,144.5) |
| **Equity Value** | **5,135.4** |
| Number of equity shares post internal restructuring and share swap | 838,579,388 |
| **Equity value per share** | **61.23** |

**4. Value of EOCDPL as per Discounted Cash Flow method:**

INR in Crore

| Particulars | Amount |
|---|---|
| Net present value of project cash flows | 738.6 |
| **Enterprise value** | **738.6** |
| Add: Other adjustments | 69.7 |
| **Equity value** | **808.3** |
| Number of equity shares outstanding (post swap of shares) | 161,610,000 |
| **Equity value per share** | **50.01** |

N S KUMAR & CO. PUNE Chartered Accountants

Date: 18 August 2020

To,
The Board of Directors
Indiabulls Real Estate Limited
M – 62 & 63, First Floor,
Connaught Place, New Delhi-110001

To,
The Board of Directors
NAM Estates Private Limited
1st Floor, Embassy point, No. 150,
Infantry road, Bengaluru- 560001

To,
The Board of Directors,
Embassy One Commercial Property Development Private Limited,
1st Floor, Embassy point, No. 150,
Infantry road, Bengaluru-560001.

**Subject: Recommendation of fair share exchange ratio for the proposed amalgamation of NAM Estates Private Limited ('NEPL') with Indiabulls Real Estate Limited ('IBREL')**

**Recommendation of fair share exchange ratio for the proposed amalgamation of Embassy One Commercial Property Development Private Limited ('EOCDPL') with Indiabulls Real Estate Limited ('IBREL')**

Dear Sir/ Madam,

We refer to the engagement letter and discussion undertaken with the Management of Indiabulls Real Estate Limited ('IBREL' or 'Amalgamated Company'), NAM Estates Private Limited ('NEPL' or 'Amalgamating Company 1') and Embassy One Commercial Property Development Private Limited ('EOCDPL' or 'Amalgamating Company 2') (hereinafter all of them together referred to as 'the Management'), wherein the Management has requested Niranjan Kumar, Registered Valuer-Securities and Financial Assets ('NK', 'we' or 'us') to undertake a valuation exercise and recommend a:

1. Fair share exchange ratio for the proposed amalgamation of NEPL (Amalgamating Company 1) with IBREL (Amalgamated Company); and
2. Fair share exchange ratio for the proposed amalgamation of EOCDPL (Amalgamating Company 2) with IBREL (Amalgamated Company);

Hereinafter both the aforesaid proposed transaction shall together be referred to as the 'proposed amalgamation'; the Management including the Board of Directors of IBREL, NEPL and EOCDPL shall together be referred to as 'the Management'; and the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company shall together be referred to as 'Transacting Companies'.

Please find enclosed the report (comprising 22 pages including annexures) detailing our recommendation of fair share exchange ratios for the proposed amalgamation, the methodologies employed, and the assumptions used in our analysis.

This report sets out our scope of work, background, procedures performed by us, source of information and our recommendation of the fair share exchange ratio.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

**Indiabulls Real Estate Limited ('IBREL' or 'Amalgamated Company')** was incorporated on 04 April 2006 and is engaged in the business of construction and development of residential and commercial properties across multiple geographical locations in India. The equity shares of IBREL are listed on BSE and NSE; and its Global Depository Receipt (GDR) are listed on Luxembourg Stock Exchange.

**NAM Estates Private Limited ('NEPL' or 'Amalgamating Company 1')** was incorporated on 02 June 1995 and is a part of the Bengaluru headquartered Embassy Group. NEPL is engaged in the business of construction and development of real estate projects (both residential and commercial) and provides allied services.

**Embassy One Commercial Property Development Private Limited ('EOCDPL' or 'Amalgamating Company 2')** was incorporated on 03 July 2018 and is a subsidiary of Embassy Property Developers Private Limited, which pursuant to internal reorganization would become a wholly owned subsidiary of NEPL. EOCDPL is engaged in the business of providing common area maintenance services to construction and development of real estate projects and other related activities.

We understand that the Management of the Transacting Companies are contemplating a proposal wherein they intend to amalgamate NEPL and EOCDPL with IBREL in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI Guidelines and the rules framed therein with respect to the proposed transaction and in a manner provided in the Scheme of Amalgamation ('the Scheme') (hereinafter referred to as 'Proposed Amalgamation'). As per the Scheme, as a consideration for the Proposed Amalgamation, equity shareholders of NEPL and EOCDPL will be issued equity shares of IBREL in the share exchange ratio as determined by the Board of Directors on the basis of share exchange ratio report prepared by Registered Valuer as required under the applicable provisions of Companies Act, 2013.

In connection with the above-mentioned Proposed Amalgamation, the Management has appointed Niranjan Kumar, Registered Valuer- Securities and Financial Assets ('NK') to submit a report recommending a fair share exchange ratio for the Proposed Amalgamation.

We would like to emphasize that certain terms of the Proposed Amalgamation are stated in our report, however the detailed terms of the Proposed Amalgamation shall be more fully described and explained in the scheme document to be submitted with relevant authorities in relation to the Proposed Amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying scheme document.

We understand that the appointed date for the Proposed Amalgamation shall mean the effective date as defined in the Scheme or such other date as the competent authority may direct or approve. We have determined the fair share exchange ratio for the Proposed Amalgamation as at the report date ('Valuation Date').

Prior to the Proposed Amalgamation of NEPL and EOCDPL with IBREL, NEPL is in the process of undertaking an internal restructuring exercise which includes demerger of certain identified completed and under-development residential and commercial undertakings; shares/ securities purchase agreement; business transfer of certain residential units; slump sale of residential undertaking and swap of its equity shares for securities held by third party investors of specified entities which house certain identified projects. EOCDPL is also in the process of entering into definitive share swap agreements with these specified third party investors prior to the scheme being made effective (all these steps together have been referred to as 'Internal Restructuring'). We have for the purpose of our analysis considered that all the above-mentioned steps including the demerger and internal restructuring would be duly implemented/ executed. Our value analysis is subject to the successful completion of the internal restructuring exercise and execution of definitive agreement as mentioned above and defined in the scheme and issue of shares/ securities by NEPL and EOCDPL pursuant to the internal restructuring as represented to us by the Management.

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the transacting companies and then arrive at the fair share exchange ratio using internationally accepted valuation methodologies as may be applicable to the subject companies and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI) and applicable Securities Exchange Board of India ('SEBI') Guidelines as may be applicable to listed entities.

The Management have informed us that:

a) There would not be any capital variation in the Transacting Companies other than variation pursuant to internal restructuring with respect to NEPL and EOCDPL as defined in the Scheme till the proposed amalgamation becomes effective without approval of the shareholders and other relevant authorities;

b) Till the proposed amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different than those declared in the past few years.

c) There are no unusual / abnormal events in the transacting companies other than those represented to us by the Management till the Report Date materially impacting their operating / financial performance.

d) There would be no significant variation between the draft scheme of arrangement and the final scheme approved and submitted with the relevant authorities.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.

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NIRANJAN KUMAR NK REGISTERED VALUER SECURITIES & FINANCIAL ASSETS

**TRANSACTION OVERVIEW:**

**A) Amalgamation of NEPL with IBREL**

**Internal Restructuring- NAM Estates Private Limited (NEPL)**

NEPL currently undertakes a mixed-use project based out of Bengaluru. Prior to the amalgamation scheme with IBREL being made effective, NEPL intends to undertake certain internal restructuring activities through which it would be transferred certain identified residential and commercial projects either directly or through transfer of investments in the identified entities.

As a part of internal reorganization prior to the filing of the scheme with the competent authorities, Embassy Property Developers Private Limited ('EPDPL'), an Embassy Group company is contemplating to transfer certain completed and under-development residential and commercial projects, either held directly or through its investments in subsidiaries, joint ventures and/or associate entities to NEPL by way of demerger.

Following is a summary of the restructuring activities proposed to be undertaken

**Step 1: Demerger of identified undertaking from EPDPL to NEPL.**

EPDPL shall transfer certain identified assets comprising of completed and under-developed/ongoing residential and commercial projects including investments in special purpose vehicles (SPV), to its wholly owned subsidiary NEPL, through a Scheme of Arrangement ('Scheme') to be approved by the jurisdictional Regional Director ('RD') or any other appropriate authorities of Central Government under Section 233 of the Companies Act, 2013.

As per the Scheme of Arrangement approved by the Board of Directors of NEPL and EPDPL on 06 July 2020, EPDPL shall transfer the following to NEPL:

1. Investments in shares and securities of subsidiary, joint venture and/or associate entities, interest in partnership firm or partnership in Limited Liability Partnership Firm as mentioned in the Scheme.
2. Certain identified completed and under-development residential and commercial projects (including immovable properties).
3. JDAs and Memorandum of Understandings ("MoUs") executed between EPDPL and landowners pertaining to the identified Projects.
4. Certain other movable assets, receivables, etc., and attributable liabilities (specific and general corporate debt) pertaining to the identified projects.
5. All liabilities, contracts, employees, benefits, licenses, approvals, plans and designs, etc., pertaining to the identified projects.
6. Investment in equity shares of IBREL held by EPDPL

As a consideration for the above demerger, NEPL would issue 41 (Forty One) of its fully paid-up equity share of face value of INR 10/- (Rupee Ten Only) each for every 100 (One Hundred) equity share of face value of INR 10/- (Rupee Ten Only) each held in EPDPL.

**Step 2: Transfer of securities of Embassy One Developers Private Limited (EODPL) held by Embassy Inn Private Limited (EIPL) to NEPL by way of Securities Purchase Agreement dated 01 August 2020.**

**Step 3: Transfer of rights in residential units held by OMR Investments LLP (OMR) to Embassy Infra Developers Private Limited (EIDPL) by way of Assignment Agreement For Sale dated 14 August 2020, followed by swap of consideration received for convertible securities of NEPL.**

**Step 4: Slump sale of specified residential undertaking by Udhyaman Investments Private Limited (UIPL) to NEPL.**

**Step 5: Share swap by third party investors of securities held in identified SPV's for equity shares of NEPL.**

Pursuant to the above-mentioned internal restructuring exercise and upon completion of the same, NEPL would be issuing a total of 838,509,386 equity shares.

Through the above-mentioned restructuring exercise, the identified assets/ projects of the Embassy Group shall be pooled into NEPL and thereafter NEPL would merge with IBREL

**B) Amalgamation of EOCDPL with IBREL**

As a part of the Scheme, EOCDPL would merge with IBREL and equity shares of IBREL would be issued as consideration to the shareholders of EOCDPL.

Prior to the implementation of the amalgamation, the existing shareholders of Indiabulls Properties Private Limited ('IPPL') (IPPL would primarily comprise of the residential Project 'Sky' post implementation of the ongoing demerger scheme wherein the commercial undertaking would be demerged out to a separate company) would enter into a swap arrangement for transfer of IPPL shares to EOCDPL in exchange for EOCDPL equity shares.

As a consideration for the above-mentioned swap, EOCDPL would issue 161,600,000 (sixteen crore and sixteen lakh) of its fully paid-up equity shares of face value of INR 10/- each to the existing equity shareholders of IPPL as at the record date.

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## SHAREHOLDING PATTERN OF TRANSACTING COMPANIES:

### a) Indiabulls Real Estate Private Limited ('IBREL' or 'Amalgamated Company')

The equity shareholding pattern of IBREL as at the report date is set out below:

| Category of shareholder | Number of shares (Face value of INR 2 each) | Percentage % |
|---|---|---|
| Promoter and Promoter Group | 10,61,89,745 | 23.4% |
| Public | 34,49,56,423 | 75.9% |
| Non Promoter and Non Public | 35,17,708 | 0.8% |
| **Total** | **45,46,63,876** | **100.0%** |

*Note: In addition to the above, IBREL has 118,000 outstanding employee stock options under the IBREL Employee Stock Option Plan 2008 and 1,647,688 outstanding employee stock options under the IBREL Employee Stock Option Plan 2010. The same are outstanding and exercisable as the report date and have accordingly been considered for our valuation workings*

### b) NAM Estates Private Limited ('NEPL' or 'Amalgamating Company 1')

The equity shareholding pattern of NEPL (pre demerger and internal restructuring) as at the report date is set out below:

| Name | Number of shares (Face value of INR 10 each) | Percentage % |
|---|---|---|
| Embassy Property Developments Private Limited | 70,002 | 100.0% |
| **Total** | **70,002** | **100.0%** |

The proposed equity shareholding pattern of NEPL (post demerger and internal restructuring) as represented to us by the Management:

| Name | Number of shares (Face value of INR 10 each) | Percentage % |
|---|---|---|
| Promoter and group companies | 65,72,56,799 | 78.4% |
| Institutional investor | 18,13,22,589 | 21.6% |
| **Total** | **83,85,79,388** | **100.0%** |

*Note: The abovementioned shareholding pattern is subject to successful completion of demerger and internal restructuring exercise and execution of definitive agreements with respective investors as defined in the scheme; receipt of necessary approvals and implementation of the same prior to the scheme being made effective. We have considered the above number of equity shares outstanding post internal restructuring, for our analysis.*

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c) **Embassy One Commercial Property Development Private Limited ('EOCDPL' or 'Amalgamating Company 2')**

The equity shareholding pattern of EOCDPL (pre-share swap exercise) as at the report date is set out below:

| Name | Number of shares (Face value of INR 10 each) | Percentage % |
|---|---|---|
| Embassy Property Developments Private Limited | 10,000 | 100.0% |
| **Total** | **10,000** | **100.0%** |

The proposed equity shareholding pattern of EOCDPL (post demerger and share swap exercise) as represented to us by the Management:

| Name | Number of shares (Face value of INR 10 each) | Percentage % |
|---|---|---|
| NAM Estates Private Limited | 10,000 | 0.0% |
| IPPL shareholders | 16,16,00,000 | 100.0% |
| **Total** | **16,16,10,000** | **100.0%** |

*Note: The above-mentioned shareholding pattern is subject to successful execution of definitive share swap agreement as defined in the scheme; receipt of necessary approvals and implementation of the same prior to the scheme being made effective. We have considered the above number of equity shares outstanding post share swap exercise, for our analysis.*

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**SOURCES OF INFORMATION**

In connection with the recommendation of share exchange ratio, we have used the following information obtained from the Management and/ or gathered from public domain:

**A. Company specific information:**

Information provided by the Management which includes:

- Audited standalone / consolidated financial statements for the financial year ended 31 March 2019 and 31 March 2020 of IBREL;
- Audited financial statements for the financial year ended 31 March 2019 and 31 March 2020 of NEPL and identified SPV's forming part of NEPL post demerger and internal restructuring;
- Reviewed carved out statement of assets and liabilities of demerged undertaking of EPDPL as at 31 March 2020;
- Unaudited provisional carved out statement of assets and liabilities of residential undertaking of IPPL as at 31 March 2020;
- Audited financial statement of EOCDPL as at 31 March 2020;
- Reviewed carved out statement of assets and liabilities of undertaking of UIPL as at 31 March 2020 to be transferred to NEPL under slump sale;
- Latest shareholding pattern of IBREL as at the report date;
- Terms of proposed issue/ offer of Compulsory Convertible Debentures (CCDs) including nature of instrument, coupon rate, tenure, conversion terms etc. to be issued by NEPL against the swap of securities held by OMR in EIDPL;
- Copy of draft Business Transfer Agreement (BTA) to be executed with respect to slump sale of business undertaking from UIPL to NEPL;
- Letter of Intent (LOI) issued by the institutional investors of SPVs and shareholders of IPPL with respect to their proposed swap arrangement;
- Details of shares to be issued pursuant to NEPL internal restructuring and proposed shareholding pattern of NEPL (post demerger and internal restructuring) as represented to us by the Management;
- Details of the shares to be issued pursuant to the proposed share swap arrangement between existing shareholders of IPPL and EOCDPL and the proposed shareholding pattern of EOCDPL (post restructuring exercise) as represented to us by the Management;
- Details of assets and commercial interest of NEPL in the identified assets/ SPVs post completion of demerger, internal restructuring exercise and execution of key commercial agreements between SPVs and/ or NEPL;

- Copy of Securities Purchase Agreement dated 01 August 2020 executed between EODPL, EIPL and NEPL;

- Copy of Assignment Agreement For Sale dated 14 August 2020 executed between OMR and EIDPL;

- Details of Employee Stock Options issued by IBREL and outstanding as at the report date including exercise price, grant date, vesting conditions etc.;

- Key financial details with respect to various ongoing and upcoming residential and commercial projects of NEPL and IBREL ('Management Projections') including details such as balance construction cost, sales time line, marketing and other costs, rentals, selling prices, etc. which represents Management's best estimate of the future financial performance of NEPL, IBREL and EOCDPL;

- Details of net debt and other liabilities forming part of the demerged undertakings, SPVs and the transacting companies;

- Board approved scheme of arrangement between EPDPL and NEPL;

- Draft composite scheme of arrangement between NEPL, EOCDPL and IBREL;

- Discussions and correspondence with the Management in connection with business operations, past trends, proposed future business plans and prospects, realizability of assets, etc.

**B. Industry and economy information:**

- Information available in public domain and databases such as Moneycontrol, Capitaline, NSE, BSE etc.

- Such other information and documents as provided by the Management for the purposes of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Transacting Companies have been provided with the opportunity to review the draft report (excluding the recommended fair share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.

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**PROCEDURES ADOPTED**

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to:
  - Understand the business and fundamental factors that affect the business of the entities including their earning generating capability.
  - Enquire about the historical financial performance, current state of affairs, upcoming projects and the future sales estimates with respect to expected sales velocity, sales price and timelines.
- Analysis of information shared by the Management.
- Reviewed the board approved scheme of arrangement between EPDPL and NEPL.
- Reviewed the draft scheme of arrangement between NEPL, EOCDPL and IBREL.
- Reviewed the internal restructuring plan with respect to NEPL including the number of equity shares proposed to be issued pursuant to the proposed internal restructuring.
- Reviewed the restructuring plan of EOCDPL including details with respect to the shares proposed to be issued as consideration for the swap of shares of IPPL;
- Reviewed the terms of Securities Purchase Agreement dated 01 August 2020 executed between EODPL, EIPL and NEPL;
- Reviewed the Assignment Agreement For Sale dated 14 August 2020 including the consideration terms for transfer/ assignment of rights in residential units by OMR to EIDPL
- Reviewed the terms of CCDs including nature of instrument, coupon rate, tenure, conversion terms etc. proposed to be issued by NEPL against the swap of securities held by OMR in EIDPL;
- Reviewed the draft BTA to be executed with respect to slump sale of business undertaking from UIPL to NEPL
- Reviewed the audited financial statements for the financial year ended 31 March 2020 and 31 March 2019 of NEPL, IBREL and EOCDPL and identified SPV's forming part of NEPL post demerger and internal restructuring;
- Reviewed the carved out statement of assets and liabilities of undertaking of UIPL to be transferred to NEPL under slump sale, demerged undertaking of EPDPL and residential undertaking of IPPL as at 31 March 2020;
- Reviewed the future financial details provided by the Management for NEPL, EOCDPL and IBREL including understanding basis of preparation and the underlying assumptions.
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and analysis of the business operations of the Companies;

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- Arrived at valuations of the Transacting Companies using the method/(s) considered appropriate; and

- Arrived at the fair share exchange ratio for the proposed amalgamation of NEPL and EOCDPL with IBREL.

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## SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

This report, its contents and the results herein are specific and subject to:

- the purpose of the valuation agreed as per the terms of the engagement;
- the date of the report;
- the proposed shareholding pattern of NEPL and EOCDPL (after considering the effect of demerger and internal restructuring);
- latest shareholding pattern of IBREL;
- realization of cashflow projections and other estimates as provided by the Management;
- successful implementation of internal restructuring with respect to NEPL including obtaining necessary approval for demerger scheme, slump sale and share swap arrangements and entering into definitive agreement with respective investors as defined in the scheme;
- successful implementation of demerger scheme with respect to demerger of commercial undertaking of IPPL;
- successful execution of definitive share swap agreements by EOCDPL with IPPL shareholders as defined in the scheme;
- realisation of the immovable properties held by Transacting Companies at their estimated fair values;
- realisation of assets at the values considered in the financial statement and no additional outflow other than liabilities recorded in the financials and represented to us by the Management;
- market price reflecting the fair value of the underlying equity shares;
- data detailed in the section - Sources of Information

We have been informed that the business activities of the Transacting Companies have been carried out in the normal and ordinary course between the latest available financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financial statements and the report date.

A value analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors e.g. Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statement, but which will strongly influence the worth of a share.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies till the date of this report and other sources, and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair share exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the fair share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share exchange ratio at which the proposed transaction shall take place will be with the Board of Directors, who should take into account other factors such as their own assessment of the proposed transaction and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section – Sources of Information.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of

- the accuracy of information made available to us by the Management which formed a substantial basis for the report; and
- the accuracy of information that was publicly available.

We have not carried out a due diligence or audit or review of the Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the proposed transaction. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management has indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Companies. However, nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

This report does not look into the business/ commercial reasons behind the proposed transaction nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of fair share exchange ratio only.

We would like to emphasize that prior to the implementation of the proposed amalgamation, NEPL is in the process of undertaking internal restructuring exercise including execution of definitive agreements with respective institutional investor as detailed in the Scheme. Similarly, EOCDPL would also execute definitive share swap agreements as detailed in the Scheme. Our value analysis is subject to the successful completion of the internal restructuring exercise, obtaining necessary approvals and execution of definitive agreement as mentioned above and defined in the scheme and issue of shares by NEPL and EOCDPL pursuant to the arrangement as represented to us by the Management upon the completion of all the above mentioned steps and no other consideration being issued / paid for the restructuring.

Certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

We would like to emphasize that latest financials and key financial details of the Transacting Companies including the identified SPVs and various undertaking forming part of internal restructuring exercise, as at the report date were not provided by the Management for the purpose of our value analysis, however, the Management has represented that they do not expect significant change in financial details and net asset position between 31 March 2020 and the report date. We have therefore considered key financial details with respect to various completed/ ongoing/ upcoming projects and the financial statements including carve outs as at 31 March 2020 for the purpose of our value analysis.

Realization of forecasted free cash flow forecast or the realizability of the assets at the values considered in our analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis therefore, will not, and cannot be directed to provide any assurance about the achievability of the final projections or the realisation of the assets at the values considered. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that our conclusions are based on the forecasts, we express no opinion on achievability of those forecasts. The fact that we have considered the projections in this valuation exercise should not be construed or taken as our being associated with or a party to such projections.

We must emphasize that for valuing the transacting companies, we have relied on the Management projections/estimates, as prepared and provided to us by the Management. We did not carry out any validation procedures or due diligence with respect to the information provided/ extracted or carry out any verification of the assets or comment on the achievability of the assumptions underlying the Management Projections, save for satisfying ourselves to the extent possible that they are consistent with other information provided to us during the course of this engagement.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of the Transacting Companies who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall the liability of NK exceed the amount as agreed in our Engagement Letter.

This valuation report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the share exchange ratio for the proposed transaction and relevant filing with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of IBREL shall trade following announcements of the proposed transaction and we express no opinion or recommendation as to how shareholders of the Transacting Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

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NIRANJAN KUMAR
NK
REGISTERED VALUER
SECURITIES & FINANCIAL ASSETS

## VALUATION APPROACHES

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to project related performance, market, industry performance and general business and economic conditions, many of which are beyond the control of the company.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Asset Approach – Net Asset Value method
2. Market Approach:
    a) Market Price method
    b) Comparable Companies Market Multiple method
3. Income Approach – Discounted Cash Flow method

For the proposed transaction, we have considered the following commonly used and accepted methods for determining the value of the equity shares of the transacting companies for the purpose of recommending the fair share exchange ratio, to the extent relevant and applicable:

**1. Asset Approach - Net Asset Value Method ('NAV')**

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for business which derives value mainly from the underlying value of its assets rather than its earnings. This value analysis approach may also be used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominates earning capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

*NEPL, EOCDPL and IBREL operate in the real estate business, where assets are primarily carried at cost. Future earnings / cashflows from the projects are the major value drivers for a real estate company. Since NAV Method does not value the future profit / cashflow generating ability of the business, we have not used this method to value the Transacting Companies.*

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## 2. Market Approach

### a) Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the shares as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

*In the present case, the equity shares of IBREL are listed on NSE and BSE and are regularly traded with reasonable volumes. We have therefore used the market price approach to value the equity shares of IBREL.*

*Equity shares of NEPL and EOCDPL are not listed on any stock exchange and we have therefore not considered the market price method to value their shares.*

*Since in the subject case equity shares of a listed company would be issued to the shareholders of an unlisted company, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time, the regulation reads as under:*

*The price of equity shares to be issued shall be determined either by Regulation 164 or Regulation 164B, as may be opted for by the Company, which read as under:*

***Regulation 164***

*If the equity shares of the issuer have been listed on a recognised stock exchange for a period of twenty six weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:*

a. *the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the* ***twenty-six weeks*** *preceding the relevant date; or*

b. *the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the* ***two weeks*** *preceding the relevant date.*

***Regulation 164B***

*The price of the equity shares to be allotted pursuant to the preferential issue shall not be less than the higher of the following:*

*(a) the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the* ***twelve weeks*** *preceding the relevant date; or*

*(b) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the* ***two weeks*** *preceding the relevant date.*

*The relevant date for the purpose of computing the price of the equity shares of IBREL has been considered to be the date of the board meeting of IBREL approving the Scheme i.e. 18 August 2020. We have therefore considered the prices upto a day prior to the relevant date i.e. till 17 August 2020, to ensure that the price of IBREL shares being considered for the exchange are above the minimum price arrived under the above formula prescribed under Regulation 164 and Regulation 164B.*

*Refer Annexure-2 for the working with respect to the prices arrived under the above applicable regulations.*

**b) Comparable Companies Multiples ('CCM') / Comparable Transactions Multiples ('CTM') method**

Under CCM, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. CCM applies multiples derived from similar or 'comparable' publicly traded companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

*Value of real estate companies are dependent upon various factors such as location of the projects, stage of completion, type of projects i.e. residential or commercial, etc. Based on our analysis and discussion with the Management, we understand there are no comparable listed companies which have similar business models and have similar operating/ financial metrics as that of the Transacting Companies, we have therefore not used CCM method.*

Under CTM, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

*Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions involving companies of similar nature and having a similar operating/ financial metrics as that of the Transacting Companies, we have therefore not used CTM method.*

**3. Income Approach – Discounted Cash Flow Method ('DCF')**

DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the terminal value at an appropriate discount factor. The free cash flows represent the cash available for distribution to both the owners of and lenders to the business. The terminal value represents the total value of the available cash flow for all periods subsequent to the forecast period. The terminal value of the business at the end of the forecast period is estimated and discounted to its equivalent present value and added to the present value of the explicit forecast period cash flow to estimate the value of the business.

The projected free cash flows are discounted by the WACC to arrive at the enterprise value. The WACC represents the returns required by the investors of both debt and equity weighed to their relative funding in the entity.

To arrive at the equity value, we have adjusted the amount of net debt as at 31 March 2020 from the enterprise value.

Using the DCF analysis involves determining the following:

**Estimating future cash flows:**

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of capital.

**Appropriate discount rate to be applied to cash flows i.e. the weighted average cost of capital ('WACC')**

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and lenders), weighted by their relative contribution to the total capital of a company. The opportunity cost to the capital providers equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

To arrive at the total value attributable to the equity shareholders of the business, value arrived through DCF method for the company is adjusted for the value of loans, excess cash, inflow on exercise of options, non-operating assets/ liabilities (e.g. fair value of investments, any contingent liabilities, etc.). The total value for equity shareholders is then divided by the total number of equity shares (on fully diluted basis) to arrive at the value per equity share of the Company.

For the purpose of DCF value analysis, the free cash flows are based on projections and other information that are provided by the Management and appropriate adjustments wherever necessary based on our discussion and analysis.

*NEPL, EOCDPL and IBREL presently operate as a going concern and are engaged in the real estate business, where discounted cash flow method is the commonly used methodology for valuing the projects. We have therefore used DCF Method which is one of the most commonly used internationally accepted pricing methodology for valuing such companies.*

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## RECOMMENDATION OF THE RATIO OF SHARE EXCHANGE FOR THE PROPOSED AMALGAMATION

The fair share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Amalgamating companies and Amalgamated company for the proposed scheme of amalgamation based on the various methodologies mentioned herein earlier. Suitable rounding off have been carried out wherever necessary to arrive at the fair share exchange ratio.

*Refer Annexure 1 for detailed share exchange ratio related workings.*

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope limitations and assumptions describe in this report and the engagement letter, we recommend the share exchange ratio as follows:

**1) To the equity shareholders of NEPL**

6,619 (Six Thousand Six Hundred and Nineteen) equity shares of IBREL having face value of INR 2 each fully paid up shall be issued for every 10,000 equity shares held in NEPL having face value of INR 10 each fully paid up.

**2) To the equity shareholders of EOCDPL**

5,406 (Five Thousand Four Hundred and Six) equity shares of IBREL having face value of INR 2 each fully paid up shall be issued for every 10,000 equity shares held in EOCDPL having face value of INR 10 each fully paid up.

NIRANJAN KUMAR • IBBI Regn No. IBBI / RV/ 06 / 2018 / 10137 • REGISTERED VALUER - SEC. & FIN. ASSETS

Respectfully submitted,

Niranjan Kumar
Registered Valuer- Securities and Financial Assets
IBBI Registration Number: IBBI/RV/06/2018/10137
ICAIRVO/06/RV-P000021/2018-19
UDIN: 20121635AAAADR5929

Date: 18 August 2020
Place: Pune

## Annexure 1: Summary of share exchange ratio

### Amalgamation of NEPL (Amalgamating Company 1) and EOCDPL (Amalgamating Company 2) with IBREL (Amalgamated Company)

Amount in INR

| Valuation Approach | Notes | IBREL (A) | | NEPL (B) | | EOCDPL (C) | |
|---|---|---|---|---|---|---|---|
| | | Value per share (INR) | Weight (%) | Value per share (INR) | Weight (%) | Value per share (INR) | Weight (%) |
| Asset approach- NAV Method | 1 | NA | 0.0% | NA | 0.0% | NA | 0.0% |
| Income approach- Discounted Cash Flow Method | 2 | 102.22 | 75.0% | 61.23 | 100.0% | 50.01 | 100.0% |
| Market approach- Market Price Method | 3 | 63.35 | 25.0% | NA | 0.0% | NA | 0.0% |
| **Relative value per share** | | **92.50** | **(A)** | **61.23** | **(B)** | **50.01** | **(C)** |
| **Share Exchange Ratio** | | | | **0.6619** | **(B/A)** | **0.5406** | **(C/A)** |
| **Recommended Share Exchange Ratio: (For every 10,000 equity shares)** | | | | **6,619** | | **5,406** | |

*NA: Not Adopted*

*Suitable rounding off have been carried out wherever necessary to arrive at the fair share exchange ratio.*

**Notes:**

1) **Asset Approach- NAV Method**

IBREL, NEPL and EOCDPL operate in the real estate business, where assets are primarily carried at cost. Future earnings / cashflows from the projects are the major value drivers for a real estate company. Since NAV Method does not value the future profit / cashflow generating ability of the business, we have not used this method to value the Transacting Companies.

2) **Income Approach- Discounted Cash Flow Method**

IBREL, NEPL and EOCDPL presently operate as a going concern and are engaged in the real estate business, where discounted cash flow method is the commonly used methodology for valuing the projects. We have therefore used DCF Method which is one of the most commonly used internationally accepted pricing methodology for valuing such companies.

3) **Market Approach- Market Price Method**

Equity shares of NEPL and EOCDPL is not listed on any stock exchange and we have therefore not considered the market price method to value their shares.

However the equity shares of IBREL are listed on NSE and BSE and are regularly traded with reasonable volumes. We have therefore used the market price approach to value the equity shares of IBREL. Since the relevant date is 18 August 2020, we have considered the volume weighted average price (VWAP) over the last 2 weeks prior to the relevant date i.e. till 17 August 2020 for the purpose of arriving at the market price.

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Annexure-2

**Fair value of equity shares of IBREL as per SEBI ICDR Guidelines is set out below:**

**Calculation of weekly Volume Weighted Average Price (VWAP):**

| Week | From date | To date | VWAP High | Low | Average |
|---|---|---|---|---|---|
| 1 | 18-Feb-20 | 24-Feb-20 | 90.60 | 84.98 | 87.79 |
| 2 | 25-Feb-20 | 02-Mar-20 | 83.51 | 74.72 | 79.12 |
| 3 | 03-Mar-20 | 09-Mar-20 | 73.88 | 66.10 | 69.99 |
| 4 | 11-Mar-20 | 16-Mar-20 | 62.80 | 53.95 | 58.38 |
| 5 | 17-Mar-20 | 23-Mar-20 | 51.30 | 42.80 | 47.05 |
| 6 | 24-Mar-20 | 30-Mar-20 | 40.70 | 37.89 | 39.30 |
| 7 | 31-Mar-20 | 03-Apr-20 | 40.78 | 40.42 | 40.60 |
| 8 | 07-Apr-20 | 13-Apr-20 | 44.64 | 42.65 | 43.65 |
| 9 | 15-Apr-20 | 20-Apr-20 | 54.44 | 47.12 | 50.78 |
| 10 | 21-Apr-20 | 27-Apr-20 | 62.96 | 54.31 | 58.64 |
| 11 | 28-Apr-20 | 04-May-20 | 60.98 | 55.65 | 58.32 |
| 12 | 05-May-20 | 11-May-20 | 53.13 | 48.54 | 50.84 |
| 13 | 12-May-20 | 18-May-20 | 46.86 | 41.99 | 44.43 |

| Week | From date | To date | VWAP High | Low | Average |
|---|---|---|---|---|---|
| 14 | 19-May-20 | 22-May-20 | 41.16 | 40.73 | 40.95 |
| 15 | 26-May-20 | 01-Jun-20 | 44.88 | 42.53 | 43.71 |
| 16 | 02-Jun-20 | 08-Jun-20 | 48.78 | 43.97 | 46.38 |
| 17 | 09-Jun-20 | 15-Jun-20 | 52.09 | 48.65 | 50.37 |
| 18 | 16-Jun-20 | 22-Jun-20 | 51.05 | 45.70 | 48.38 |
| 19 | 23-Jun-20 | 29-Jun-20 | 54.89 | 51.19 | 53.04 |
| 20 | 30-Jun-20 | 06-Jul-20 | 59.06 | 49.76 | 54.41 |
| 21 | 07-Jul-20 | 13-Jul-20 | 69.06 | 60.83 | 64.95 |
| 22 | 14-Jul-20 | 20-Jul-20 | 64.21 | 59.26 | 61.74 |
| 23 | 21-Jul-20 | 27-Jul-20 | 59.46 | 52.59 | 56.03 |
| 24 | 28-Jul-20 | 03-Aug-20 | 53.00 | 49.81 | 51.41 |
| 25 | 04-Aug-20 | 10-Aug-20 | 57.15 | 54.64 | 55.90 |
| 26 | 11-Aug-20 | 17-Aug-20 | 69.04 | 61.78 | 65.41 |

| Minimum price prescribed under Regulation 164: | Price |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 26 weeks preceding the relevant date | 54.67 |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | 60.65 |
| **Higher of the above two considered as minimum price under Regulation 164** | **60.65** |

| Minimum price prescribed under Regulation 164B: | Price |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 12 weeks preceding the relevant date | 54.31 |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | 60.65 |
| **Higher of the above two considered as minimum price under Regulation 164B** | **60.65** |

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# Fair Equity Share Swap Ratio Report

# in relation to the Scheme of Amalgamation

## Nam Estates Private Limited and

## Embassy One Commercial Property Developments Private Limited and

## Indiabulls Real Estate Limited

August 2020

Tel: +91 22 33321600
Fax: +91 22 2439 3700
www.bdo.in

BDO Valuation Advisory LLP
The Ruby, Level 9, North East Wing
Senapati Bapat Marg, Dadar (W)
Mumbai 400028, India

Ref. No.: MG/Aug181/2020 August 18, 2020

To

| | |
|---|---|
| The Board of Directors | The Board of Directors |
| **NAM Estates Private Limited** | **Indiabulls Real Estate Limited** |
| 1st Floor, Embassy Point, | M - 62 & 63, First Floor, |
| 150, Infantry Road, | Connaught Place, |
| Karnataka – 560052, Bangalore. | New Delhi - 110001. |
| India | India |

The Board of Directors
**Embassy One Commercial Property Developments Private Limited**
1st Floor, Embassy Point,
150, Infantry Road,
Karnataka – 560052, Bangalore.
India

Dear Sir(s)/ Madam(s),

**Sub: Fair Equity Share Swap Ratio Report in relation to the Scheme of Amalgamation**

We, BDO Valuation Advisory LLP (“**BDO Val**” or “**We**” or “**Us**”), have been appointed via engagement letters dated June 5, 2020 to recommend the fair equity share swap ratio for the proposed amalgamation of:

A. NAM Estates Private Limited (**“NEPL”** or **“Amalgamating Company 1”**) with and into Indiabulls Real Estate Limited (**“IBREL”** or **“Amalgamated Company”**); and
B. Embassy One Commercial Property Developments Private Limited (“**EOCPDPL**” or “**Amalgamating Company 2”**) with and into IBREL, the Amalgamated Company

through a sc heme of amalgamation between NEPL and EOCPDPL and IBREL and their respective shareholders and creditors (**“the Scheme”)**. NEPL, EOCPDPL and IBREL shall be collectively referred as “**the Companies**” or “**the Clients**”. The amalgamation of NEPL with and into IBREL shall be referred as “**Amalgamation 1**” and the amalgamation of EOCPDPL with and into IBREL shall be referred as “**Amalgamation 2**”

We are pleased to present herewith our report on the same. For the purpose of arriving at the valuation of the Companies we have considered the valuation base as ‘Fair Value’ and the premise of value is ‘Going Concern Value’. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this report.

The cut-off date for all the financial information used in the present valuation exercise has been considered as March 31, 2020 and the market parameters have been considered upto August 17, 2020. A summary of the analysis is presented in the accompanying report, as well as description of the methodology and procedure we used, and the factors we considered in formulating our opinion.

We believe that our analysis must be considered as a whole. Selecting portions of our analysis or the factors we considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

This letter should be read in conjunction with the attached report.

Regards,

**For BDO Valuation Advisory LLP**
IBBI No.: IBBI/RV-E/02/2019/103

Gadkari

**Mandar Vikas Gadkari**
IBBI No. IBBI/RV/06/2018/10500
(Securities or Financial Asset)
Partner

**For BDO Valuation Advisory LLP**
IBBI No.: IBBI/RV-E/02/2019/103

Akriti

**Akriti Bhatia**
IBBI No. IBBI/RV/07/2019/11019
(Land and Building)
Partner

Encl: As above

## Table of Contents

## 1. Brief Background of the Scheme of Amalgamation and the Companies

**Background of the Scheme:**

1.1. NAM Estates Private Limited (**"NEPL"** or **"Amalgamating Company 1"**) and Embassy One Commercial Property Developments Private Limited ("**EOCPDPL**" or **"Amalgamating Company 2"**) and Indiabulls Real Estate Limited (**"IBREL"** or **"Amalgamated Company"**) and their respective shareholders and creditors are entering into a scheme of amalgamation ("**the Scheme") that** *interalia* provides for the amalgamation of NEPL into and with IBREL in Part III of the Scheme ("**Amalgamation 1"**) and the amalgamation of EOCPDPL into and with IBREL in Part IV of the Scheme ("**Amalgamation 2**").

1.2. The Scheme is under the provisions of section 230 to 232 and other relevant provisions of the Companies Act, 2013 ("**the 2013 Act**").

1.3. The Appointed Date for Amalgamation 1 shall be the Effective Date 1. Effective Date 1 means the date on which the last of the conditions specified under Clause 27 of Part V of the Scheme are fulfilled or the requirement of which has been waived. The conditions primarily include approvals required under the 2013 Act, other statutory approvals, sanctioning of the Scheme by the National Company Law Tribunal ("**NCLT**"), filing of NCLT orders sanctioning the Scheme Registrar of Companies ("**RoC**"), etc.

1.4. The Appointed Date for Amalgamation 2 shall be the Effective Date 2 means the later of (a) Effective Date 1 or (b) thirtieth (30th) calendar day from the effectiveness of the IPPL Demerger (defined below). IPPL Demerger means the proposed demerger of certain business of Indiabulls Properties Private Limited ("**IPPL**") with respect to owning, operating and maintaining One Indiabulls Centre pursuant to a scheme of demerger filed before the NCLT, Chandigarh.

**Background of the Companies:**

**A. NAM Estates Private Limited**

1.5. NEPL having CIN U85110KA1995PTC017950 is a company incorporated as a private limited company under the Companies Act, 1956 on June 2, 1995 vide certificate of incorporation issued by the Registrar of Companies, Bangalore. Amalgamating Company 1 has its registered office at 1st Floor, Embassy Point, 150, Infantry Road Bangalore, Infantry Road, Bangalore, 560052. The Amalgamating Company 1 is presently engaged in the business of construction and development of real estate projects (both residential and commercial) and related consulting services, related management services, leasing of properties, making investments in joint developments, investing in companies/firms which undertake real estate development activities.

1.6. The issued, subscribed and paid-up equity share capital of NEPL as at June 30, 2020 stood at INR 0.7 Mn, comprising of 70,002 equity shares of face value of INR 10.0 each fully paid up.

1.7. Further, the Scheme is subject to *inter alia* coming into effect the steps taken by the Amalgamating Company 1, Amalgamating Company 2 and its group companies by way of a demerger under Section 233 of the 2013 Act, business transfer, share swap or share purchase to restructure its direct and indirect holdings in certain entities and residential and/or commercial assets, which assets have been taken into account for share swap valuation in this Report ("**NAM Internal Restructuring**"). We understand that this shall be completed prior to the filing of the Scheme with the NCLT.

1.8. NAM Internal Restructuring includes a scheme of arrangement between Embassy Property Developments Private Limited ("**EPDPL**" or "**Demerged Company**"), NEPL and their respective shareholders ("**NAM Internal Restructuring Scheme**"). The Demerged Undertaking of EPDPL that shall be demerged into NEPL consists of certain completed, under-development and planned residential and commercial projects of the Demerged Company, either held directly or through investments in subsidiaries, joint ventures and/or associates and also includes 63,095,240 equity shares held by EPDPL in the Amalgamated Company. In consideration to the demerger, NEPL shall issue and allot in total 39,97,41,389 equity shares of INR 10 each fully paid to the members/ shareholders of the Demerged Company.

1.9. Further, certain assignment rights in real estate projects held by OMR Investments LLP ("**OMR**") are transferred to Embassy Infra Developers Private Limited ("**Embassy Infra**") through assignment agreement for sale. Embassy Infra to issue its Compulsorily Convertible Debentures ("**CCDs**") to OMR to settle its liability against the assignment agreement. OMR shall transfer part of CCDs held in Embassy Infra to Udhyaman Investments Private Limited **("UIPL")**. Balance CCDs held by OMR in Embassy Infra shall be transferred to NEPL and in consideration to this NEPL shall issue and allot its CCDs to OMR which shall be convertible into 4,63,92,446 equity shares of INR 10 each fully paid ("**OMR Restructuring**"). Also, UIPL shall transfer Embassy Spring project to NEPL for cash consideration of INR 20.0 Mn.

1.10. Further, the third-party investors and EPDPL or its affiliates holding shares in the specified investee companies of NEPL shall exchange their shares held in the specified investee companies for equity shares in the Amalgamating Company 1 **("Third Party Investor Share Exchange")** upon the Scheme being sanctioned by the NCLT but prior to the Effective Date 1. The details of the same are provided below:

| Specified Investee Companies | Third Party Investors | No. of equity shares of NEPL to be issued in exchange of shares held in Specified Investee Companies |
|---|---|---|
| Embassy One Developers Private Limited ("**EODPL**") | WWD Pearl Limited, Mauritius | 5,55,40,252 |
| | BREP Asia SG City View Holding (NQ) Pte Ltd | |
| | BREP VII SG City View Holding (NQ) Pte Ltd | |
| | BREP Asia SBS City View Holding (NQ) Ltd | |
| | BREP VII SBS City View Holding (NQ) Ltd | |
| Concord India Private Limited ("**Concord**") | Florence Investments Limited (Mauritius) | 12,57,82,337 |
| Summit Developments Private Limited ("**Summit**") | Embassy Property Developments Private Limited or its affiliates | 21,10,52,962 |
| | **Total** | **39,23,75,551** |

1.11. Further, in case any of the share exchange agreements for the Third-Party Investor Share Exchange are terminated or if for any reason whatsoever, the entire shareholding of the abovementioned Specified Investee Companies is not held by Amalgamating Company 1, then the promoters of Amalgamating Company 1 (and/or their affiliates) ("**NEPL Promoters**") shall acquire the entire shareholding of the Specified Investee Companies held by such of the Third Party Investors and subsequent to the acquisition, the NEPL Promoters shall undertake exchange of securities of the Specified Investee Companies with the Amalgamating Company 1, as applicable, on the same terms as proposed for Third Party Investors.

1.12. Further, NEPL proposes to issue to one or more investors of equity shares or any securities convertible into or exchangeable for equity shares or any other rights, warrants or options to acquire equity shares of an aggregate value of INR 5,000 Mn at the same price per equity share arrived at for the Amalgamating Company 1 in this Share Exchange Report. Since this is a proposed future infusion of capital, we have not considered the same in our current valuation exercise and while arriving at the share swap ratio in this Report.

1.13. Accordingly, post the consummation of the above restructuring, the issued, subscribed and paid-up equity share capital of NEPL before the Effective Date 1 is expected to be INR 8,385.8 Mn, comprising of 83,85,79,388 equity shares of face value of INR 10.0 each fully paid up as follows:

| Particulars | Paid Up Value (INR Mn) | No. of Equity Shares | % Holding |
|---|---|---|---|
| No of shares outstanding as on June 30, 2020 | 0.7 | 70,002 | 0.01% |
| **Add:** | | | |
| Shares issued pursuant to NAM Internal Restructuring Scheme | 3,997.4 | 39,97,41,389 | 47.7% |
| Shares issued pursuant to OMR Restructuring | 463.9 | 4,63,92,446 | 5.5% |
| Shares issued pursuant to Third Party Investor Share Exchange | 3,923.8 | 39,23,75,551 | 46.8% |
| **Total number of shares outstanding before the Effective Date 1** | **8,385.8** | **83,85,79,388** | **100.0%** |

**B. Embassy One Commercial Property Developments Private Limited**

1.14. EOCPDPL having CIN U70109KA2018PTC135028 is a company incorporated as a private limited company under the 2013 Act on July 3, 2018 vide certificate of incorporation issued by the Registrar of Companies, Bangalore. Amalgamating Company 2 has its registered office at 1st Floor, Embassy Point, 150, Infantry Road Bangalore, Infantry Road, Bangalore, 560052. The Amalgamating Company 2 is engaged in the business of providing common area maintenance services to construction and development of real estate projects (both residential and commercial) and other related activities.

1.15. The issued, subscribed and paid-up equity share capital of EOCPDPL as at June 30, 2020 stood at INR 0.1 Mn, comprising of 10,000 equity shares of face value of INR 10.0 each fully paid up.

1.16. EOCPDPL, IPPL, FIM Holdco I Limited and Ariston Investments Sub A Limited intend to enter into an agreement for swap of shares. FIM Holdco I Limited and Ariston Investments Sub A Limited collectively own 100% equity stake of IPPL and hence shall be collectively referred as "**IPPL Shareholders**".

1.17. As per information provided to us, EOCPDPL shall issue and allot in total 16,16,00,000 equity shares of INR 10 each fully paid to IPPL Shareholders in exchange for the entire securities held by the IPPL Shareholders in IPPL ("**IPPL Share Exchange**") such that prior to the Effective Date 2, the IPPL Shareholders shall become the equity shareholder of EOCPDPL and IPPL shall become the wholly owned subsidiary of EOCPDPL.

1.18. Further, EOCPDPL proposes to issue to one or more investors of equity shares or any securities convertible into or exchangeable for equity shares or any other rights, warrants or options to acquire equity shares of an aggregate value of INR 500,000 (Rupees Five Lakhs) at the same price per equity share arrived at for the Amalgamating Company 2 in this Share Exchange Report. Since this is a proposed future infusion of capital, we have not considered the same in our current valuation exercise and while arriving at the share swap ratio in this Report.

1.19. Accordingly, the issued, subscribed and paid-up equity share capital of EOCPDPL before the Effective Date 2 is expected to be INR 1,616.1 Mn, comprising of 16,16,10,000 equity shares of face value of INR 10.0 each fully paid up as follows:

| Particulars | Paid Up Value (INR Mn) | No. of Equity Shares | % Holding |
|---|---|---|---|
| No of shares outstanding as on June 30, 2020 | 0.1 | 10,000 | <0.01% |
| **Add:** | | | |
| Shares issued pursuant IPPL Share Exchange | 1,616.0 | 16,16,00,000 | 99.99% |
| **Total number of shares outstanding before the Effective Date 2** | **1,616.1** | **16,16,10,000** | **100.0%** |

### C. Indiabulls Real Estate Limited

1.20. IBREL having CIN L45101DL2006PLC148314, is a company, incorporated as a public limited company under the Companies Act, 1956 on April 4, 2006. As of the date of approval of the Scheme by the Board of Directors, the Amalgamated Company has its registered office at M - 62 & 63 First Floor, Connaught Place New Delhi 110001. Prior to the filing of the Scheme with the NCLT, the Amalgamated Company shall complete the shifting of its registered office from Delhi to Haryana. The Amalgamated Company is presently engaged in the business of providing consultancy & advisory services to companies engaged in business of construction and real estate development and through its subsidiaries in the business of construction and development of real estate projects, including without limitation the asset management, development management and common area maintenance of all or any of such projects, whether commercial, residential, special economic zones, integrated or otherwise and other related activities.

1.21. The equity shares of the Amalgamated Company are, at present, listed on BSE Limited (“**BSE**”), the National Stock Exchange of India Limited (“**NSE**”) and global depository receipts, underlying equity shares of Amalgamated Company, are listed at the Luxembourg Stock Exchange (“**LSE**”).

1.22. As provided in the Scheme, 1,18,000 employee stock options are granted by the Amalgamated Company under the IBREAL Employee Stock Option Plan 2008 and 16,47,688 employee stock options are granted by the Amalgamated Company under the IBREAL Employee Stock Option Plan 2010, the exercise of which may result in an increase in the issued and paid-up share capital of the Amalgamated Company. Accordingly, such employee stock options of the Amalgamated Company have been taken into account in the share swap valuation in this Report.

1.23. The issued, subscribed and paid-up equity share capital of IBREL as at June 30, 2020 stood at INR 909.3 Mn, comprising of 45,46,63,876 equity shares of face value of INR 2.0 each fully paid up. Further, as discussed above, the ESOPs outstanding have also been considered for the purpose of current valuation. Accordingly, the number of shares considered for valuation are as follows:

| Shareholder Category | Paid Up Value (INR Mn) | No. of Equity Shares | % Holding |
|---|---|---|---|
| I. Promoter and Promoter Group | 212.4 | 10,61,89,745 | 23.3% |
| II. Public | 696.2 | 34,80,81,587 | 76.3% |
| III. Depository receipt | 0.8 | 3,92,544 | 0.1% |
| **Total (Pre-ESOPs)** | **909.3** | **45,46,63,876** | **99.6%** |
| IV. ESOPs outstanding | 3.5 | 17,65,688 | 0.4% |
| **Total** | **912.9** | **45,64,29,564** | **100.0%** |

*Source: BSE and management information (for ESOPs)*

1.24. We have taken note of the fact that IBREL has announced buy-back of part of its equity shares, however as on the date of issue of this report there is no clarity on the final outcome of the buy-back proceedings, hence we have not considered any impact of the buy-back announcement in our current valuation exercise and while arriving at the share swap ratio in this Report.

1.25. We have been informed by the management and representatives of the Companies that there has been no change in the above respective shareholding pattern of the Companies from June 30, 2020 till the date of issuance of this report.

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## 2. Purpose of Valuation

2.1. We understand that pursuant to the Scheme and all the necessary approvals and fulfillment of conditions as specified in the Scheme, the Amalgamated Company shall be required to issue and allotment its new Equity Shares to the shareholders of the Amalgamating Company 1 and Amalgamating Company 2 and shall need to comply with the provisions of section 230 to 232 and other relevant provisions of the Companies Act, 2013, along with the applicable provisions of Securities and Exchange Board of India ('SEBI').

2.2. In this regard, we have been appointed to determine and recommend the fair equity share swap ratio for the amalgamation of NEPL into IBREL and for the amalgamation of EOCPDPL into IBREL.

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## 3. Exclusions and Limitations

3.1. Our report is subject to the limitations detailed hereinafter. This report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

3.2. This report, its contents, and the analysis herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement, (ii) the report date and (iii) are based on the audited /provisional financial statements of the Companies as at March 31, 2020. The management of the Companies have represented that the business activities of the Companies have been carried out in the normal course between April 1, 2020 and the Report date and that no material changes have occurred in their respective operations and financial position between April 1, 2020 and the Report date.

3.3. This Report is subject to the laws of India.

3.4. The fee for this engagement is not contingent upon the outcome of the Report.

3.5. This report and the information contained herein are absolutely confidential and are intended for the use of management and representatives of the companies for providing select information and only in connection with the purpose mentioned above or for sharing with shareholders, creditors, Regional Directors, Registrar of Companies, National Company Law Tribunal and office of other regulatory or statutory authorities. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. In the event, the companies or their management or their representatives intend to extend the use of this report beyond the purpose mentioned earlier in the report, with or without our consent, we will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report.

3.6. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by us during the course of our work. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies or any of its subsidiaries or associated companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.

3.7. In rendering this report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.

3.8. Any environmental due diligence or study is outside the scope of this engagement; therefore, no such due diligence or study has been carried out by us. We have assumed that the subject asset complies with all environmental laws and regulations.

3.9. Any matters related to legal title and ownership are outside the purview and scope of this valuation exercise. Further, no legal advice regarding the title and ownership of the asset has been obtained while conducting this valuation exercise. Valuation may be significantly influenced by adverse legal, title or ownership, encumbrance issues.

3.10. For land and project details such as location, land areas, utility, development status and others we have relied upon the information shared by the Companies. We have not verified accuracy of the same by any means. We have to the extent possible tried to physical visit certain surplus land parcels of IBREL and had discussions with the brokers for the purpose of valuation.

3.11. This report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our report.

3.12. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our report.

3.13. During the course of our work, we have relied upon the information and documents made available by the management and representatives of the Companies. Though we have reviewed it, we have not independently verified the same.

3.14. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.

3.15. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our report or by virtue of fact that the details provided to us are incorrect or inaccurate.

3.16. Further, this report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us or used by us up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this report and the assumptions made in preparing this report and we shall not be obliged to update, revise or reaffirm this report if the information provided to us changes.

3.17. We have considered relevant valuation approaches based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.

3.18. Our scope is limited to the purposes stated hereinabove. The Report should not be construed as, our opinion or certifying the compliance of the Amalgamation 1, Amalgamation 2 or the Scheme with the provisions of any law including the Companies Act 2013, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from them.

3.19. Valuation is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different value on this business.

3.20. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations taking into consideration the economic, social and market patterns existing at that point in time but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

3.21. Note on Coronavirus Disease 2019 (COVID-19): On the date of issue of this report the external economic scenario is affected by the outbreak of COVID-19, the impact of which is difficult to access at this stage. We have considered the impact of COVID-19 on a best estimate basis, however there could be some further impact on the value arrived and ultimately the share swap ratio based on how COVID-19 impacts the economy going forward.

3.22. This Report does not look into the business/commercial reasons behind the amalgamations nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the amalgamations as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available.

3.23. Further this Report does not in any manner address the prices at which the equity shares of the Amalgamated Company will trade following the announcement of the Scheme and we express no opinion or recommendation as to how the shareholders of the respective Companies should vote at any shareholders' meeting to be held in connection with the amalgamation.

3.24. Whilst all reasonable care has been taken to ensure that the factual statements in the report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We are not liable to any party in relation to the issue of this report.

3.25. BDO Val owes responsibility to only the Boards of Directors of the Companies with reference to terms of engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by others to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies involved, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this report shall not exceed the fees paid to such Valuer in respect of the fees charged by it for these services.

3.26. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this report.

3.27. Restructuring proposed before the Effective Date 1 and Effective Date 2 as discussed in Section 1 of this Report has been considered in the valuation and the shareholding of the Companies post such restructuring has been considered.

*In case any of the restructuring is not completed as on the Effective Date, the same may have material impact on the valuation thereby leading to change in the fair equity share swap ratio provided in this Report.*

3.28. We understand that the Client/s have also appointed N S Kumar & Co. (independent Chartered Accountant), Mr. Niranjan Kumar, a Registered Valuer for the same valuation exercise to determine the fair equity share swap ratio for Amalgamation 1 and Amalgamation 2. BDO Val, N S Kumar & Co. and Mr. Niranjan Kumar shall be collectively referred as "Valuers". The Valuers have been appointed severally and not jointly by the Clients. We have worked independently in our analysis based on information provided by the management of the Companies. We have independently arrived at the values stated in this report, however, to arrive at the consensus on the fair equity share exchange ratio for Amalgamation 1 and Amalgamation 2, minor adjustments/ rounding off has been done in the values arrived. It is explicitly stated that we shall not be liable in any manner for the work undertaken by N S Kumar & Co. and / or Mr. Niranjan Kumar.

3.29. A draft of this report was shared with the Companies, prior to finalization of report, (excluding the recommended fair equity share swap ratio) as part of our standard practice to make sure that factual inaccuracy/omission are avoided in the report.

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## 4. Sources of Information

4.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management and representatives of the Companies:

- Detailed business profile and information of current business operations of the Companies & its subsidiaries and associates;
- Audited financial statements of IBREL & its subsidiaries for the Financial Year (‘**FY**’) ended March 31, 2020;
- Provisional Balance Sheet of Embassy One Developers Private Limited (“**EODPL**”), NEPL and IPPL as at March 31, 2020;
- Certified carved out financials of EPDPL and UIPL as at March 31, 2020;
- Audited financials of EOCPDPL, Summit Developments Private Limited, Sapphire Realtors Private Limited, Grove Ventures, Concord India Private Limited (“**Concord**”) as at March 31, 2020;
- Details of debt in the book of NEPL post NAM internal restructuring;
- Income tax returns for Embassy One, EPDPL, RGE, NAM and UIPL for FY19 and draft computation for FY20;
- Sales MIS as on March 31, 2020 for Pristine, Grove, Boulevard, Embassy Lake Terraces, Embassy Residency 1, Embassy Springs, Embassy Plots;
- Securities purchase agreement dated August 1, 2020 for transfer of securities of EODPL from Embassy Inn Private Limited to NEPL;
- Assignment Agreement for Sale – Consolidated amongst OMR and Embassy Infra dated August 14, 2020 for assignment of rights in residential units;
- Assignment Agreement for Construction – Consolidated amongst OMR and Embassy Infra dated August 14, 2020 in relation to the assignment of rights in residential units;
- Draft CCD Subscription Agreement amongst Embassy Infra and OMR for subscription of CCDs of Embassy Infra by OMR;
- Draft Securities Purchase Agreement between OMR, UIPL and Embassy Infra for transfer of CCDs of Embassy Infra from OMR to UIPL;
- Draft Business Transfer Agreement between UIPL and NEPL for slump sale of specified undertaking of UIPL being Embassy Springs;
- Draft Securities Swap and Subscription Agreement amongst OMR, NEPL and Embassy Infra for transfer of CCDs held by OMR in Embassy Infra to NEPL against CCDs of NEPL issued to OMR;

- Binding letter of intent dated August 14, 2020 amongst Florence Investments Limited, Concord and NEPL for entering into Swap agreement with NEPL;
- Non-binding letter of intent dated August 18, 2020 amongst WWD Pearl Limited, Mauritius, BREP Asia SG City View Holding (NQ) Pte. Ltd., BREP VII SG City View Holding (NQ) Pte. Ltd , BREP Asia SBS City View Holding (NQ) Ltd , BREP VII SBS City View Holding (NQ) Ltd. (collectively "BREP"), EODPL and NEPL for issue of equity shares in NAM against transfer of BREP's equity and CCD holding in EODPL;
- Non-binding letter dated August 18, 2020 of intent amongst IPPL Shareholders and EOCPDPL for proposed IPPL Share Exchange;
- Binding letter of intent dated August 14, 2020 amongst Onega Limited, Pollhater Investments Limited, HDFC Investment Trust (acting through its trustee HDFC Ventures Trustee Company Limited) (collectively, "HIREF"), EPDPL and NEPL to transfer the securities held by HIREF in Summit Developments Private Limited ("Summit") for an agreed consideration;
- Share capital structure of NEPL post NEPL restructuring agreement;
- Land related documents
  - Title Search reports/ land ownership documents and the location co-ordinates for planned projects of EPDPL.
  - Joint Development Agreement dated July 30, 2013 between EPDPL and the landowners for land admeasuring 3 acres 30 gunthas at village- Hoodi, Krishnarajapura, Bangalore.
  - Joint Development Agreement dated February 12, 2020 between EPDPL and the landowners for land admeasuring 51 acres and 25 gunthas at village- Varthur, Sorahunse, Kanekandaya & Amani Bellandur Khane, Varthur Hobli, Bangalore.
  - Memorandum of Understanding ("MoU") dated November 6, 2015 and Supplemental MoU dated March 6, 2019 between EPDPL and landowners for development for 100 acres of land parcel for Cornerstone project;
  - Certified Area statement confirming the total saleable area for EPDPL projects- Cornerstone, Knowledge Park, Concord & Prism
  - The land area summary with the location co-ordinates of the land bank of IBREL in North, West and South Zone;
- Details of flats sold, total area, unsold area, pending receivables, refunds to be made, construction and other costs to be incurred, expected selling prices/ lease rentals and other key assumptions in various ongoing residential and/ or commercial projects owned by IBREL and NEPL including assets proposed to be part of NEPL and EOCPDPL by way of restructuring discussed in Section 1 of this Report;

- Details of total area, expected selling prices/ lease rentals, land cost, construction and other costs and other key assumptions in various upcoming residential and/ or commercial projects owned by IBREL and NEPL including assets proposed to be part of NEPL by way of restructuring discussed in Section 1 of this Report;
- Break up of cost incurred and to be incurred for ongoing projects of IBREL as on December 31, 2019;
- Provisional computation of income for FY 2019-20 along with workings for ongoing project entities of IBREL;
- Tax workings of Sky 882 and Sky Forest projects for FY 2019-20 currently under IPPL;
- Details of revenue projections of existing business of EOCPDPL for 5 years after March 31, 2020;
- Draft Financial, Tax and Legal due diligence report on assets owned/ proposed to be owned by IBREL, EOCPDPL and NEPL;
- Subvention Cost borne by IBREL for ongoing projects as on December 31, 2019;
- Google coordinates of Land Bank owned by IBREL;
- Details of rights in units owned by OMR Investments LLP as on March 31, 2020;
- Latest shareholding pattern as at June 30, 2020 of the Companies;
- Draft Scheme of Amalgamation 1 and Amalgamation 2;
- Scheme of Arrangement between EPDPL and NEPL and their respective shareholders for NAM Internal Restructuring;
- Certified board resolution dated March 26, 2018 of Indiabulls Construction Limited detailing terms of Optionally Convertible Redeemable Preference Shares ("**OCPS**") issued;
- Certified board resolution of EPDPL and NEPL both dated July 6, 2020 for approval of scheme of arrangement for NAM Internal Restructuring;
- Development Management Agreement dated August 17, 2020 between EPDPL and EODPL in respect of Cornerstone project;
- Development Management Agreement dated August 17, 2020 between Concord and EODPL in respect of Concord project;
- Management Agreement dated August 17, 2020 between Embassy Services Private Limited and EOCPDPL;
- Management Agreement dated August 17, 2020 between Lounge Hospitality LLP and EOCPDPL;

- Relevant data, representation and information provided to us by the representatives of the Companies either in written or oral form or in form of soft copy; and
- Information provided by leading database sources (proprietary databases subscribed by us or our network firm), market research reports and other published data (including the Stock Exchanges);

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## 5. Procedures Adopted

In connection with this exercise, we have adopted the following procedures to carry out the valuation of the Companies:

- Requested and received information as stated on the Source of Information section of this Report;
- Obtained data available in public domain;
- Undertook industry and market analysis such as researching publicly available market data including economic factors and industry trends that may impact the valuation;
- Discussion (physical/over call) with the respective management of the Companies to understand the business and fundamental factors that could affect the projects, its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance;
- Considering the current scenario on account of the Pandemic COVID-19, we have to the extent possible tried to physical visit certain surplus land parcels of IBREL and had discussions with the brokers for the purpose of valuation;
- Sought various clarifications from the respective management of the Companies based on our review of information shared and our analysis;
- Understanding the restructuring planned to be completed before Effective Date 1 and Effective Date 2 as discussed in Section 1 of this Report;
- Selection of valuation methodology/(ies) as per internationally accepted valuation methodologies;
- Determined the fair equity share swap ratio based on the selected methodology.

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## 6. Valuation Approaches

6.1. It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the companies/businesses, and other factors which generally influence the valuation of the companies, its businesses and assets.

6.2. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

6.3. It may be noted that BDO Valuation Advisory LLP is enrolled with IOV Registered Valuers Foundation, which has recommended to follow International Valuation Standards Council (**'IVS'**) for undertaking valuation. We have given due cognizance to the same in carrying out the valuation exercise.

6.4. For the purpose of arriving at the valuation of the Companies we have considered the valuation base as 'Fair Value' and the premise of value is 'Going Concern Value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this report.

6.5. The cut-off date for all the financial information used in the present valuation exercise has been considered as March 31, 2020 and the market parameters have been considered upto August 17, 2020.

6.6. There are three generally accepted approaches to valuation:

(a) "Cost" Approach
(b) "Income" Approach
(c) "Market" Approach

Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:

### Cost Approach

**Summation Method**

The summation method, also referred to as the underlying asset method, is typically used for investment companies or other types of assets or entities for which value is primarily a factor of the values of their holdings.

This valuation approach is mainly used in case where the assets base dominates earnings capability.

### Income Approach

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

**Discounted Cash Flow Method**

Under the Discounted Cash Flow (**'DCF'**) method, the value of the undertaking is based on expected 'cash flows for future, discounted at a rate, which reflects the expected returns and the risks associated with the cash flows as against its accounting profits. The value of the undertaking is determined as the present value of its future free cash flows.

Free cash flows are discounted for the explicit forecast period and the perpetuity value thereafter. Free cash flows represent the cash available for distribution to both, the owners and creditors of the business.

Discount rate is the Weighted Average Cost of Capital (**'WACC'**), based on an optimal vis-à-vis actual capital structure. It is appropriate rate of discount to calculate the present value of future cash flows as it considers equity–debt risk and also debt–equity ratio of the firm.

The perpetuity (terminal) value is calculated based on the business's potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth (for perpetuity) in the cash flows over the last year of the forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business's future operations.

The Business/Enterprise Value so derived, is further reduced by value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of business. The surplus assets / non-operating assets are also adjusted.

In case of free cash flows to equity, the cash available for distribution to owners of the business is discounted at the Cost of Equity and the value so arrived is the Equity Value before surplus/ non-operating assets. The surplus assets / non-operating assets are further added to arrive at the Equity Value.

### Market Approach

Under the Market approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

**Market Price (‘MP’) Method**

Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading. The market value reflects the investors' perception about the true worth of the company.

**Comparable Companies Multiple Method**

Under the Comparable Companies Multiple (‘**CCM**’) method, the value is determined on the basis of multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders.

**Comparable Transactions Multiple Method**

Under the Comparable Transactions Multiple (‘**CTM**’) method, the value of a company can be estimated by analyzing the prices paid by purchasers of similar companies under similar circumstances. This is a valuation method where one will be comparing recent market transactions in order to gauge current valuation of target company. Relevant multiples have to be chosen carefully and adjusted for differences between the circumstances. This valuation approach is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

## 7. Conclusion on Valuation Approach:

**Cost Approach:**

7.1. A scheme of amalgamation would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated. In a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance. Therefore, we h ave not considered cost approach for valuation since the cost approach does not reflect the intrinsic value of the business in a "going concern scenario".

**Income Approach:**

7.2. DCF Method under the Income Approach has been considered for valuation of NEPL, EOCPDPL and IBREL since their value lies in the future earning potentials from various ongoing and planned projects. In case of IBREL, the surplus land parcels/unplanned projects have been valued separately and added in the value arrived at as per DCF.

**Market Approach:**

7.3. Since the Equity shares of IBREL are listed and traded on BSE and NSE, we have referred to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018 as amended from time to time ("**ICDR Regulations**") and the specific information/explanations available.

7.4. In the present case, the share price of IBREL on the NSE has been considered, as the trading volumes are higher at NSE as compared to BSE as per the requirements of the ICDR Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 guidelines, as applicable, on a recognized stock exchange during the twelve calendar months preceding the relevant date.

7.5. Attention may also be drawn to Regulation 158 of ICDR Regulations which specifies that issue of equity shares to shareholders of an unlisted entity pursuant to a National Company Law Tribunal approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 164 of the said regulations. Further it may be noted that Regulation 164 specifies the minimum price for issue of shares on a preferential basis.

The Pricing Formula provided in Regulations 164 (1) has been considered for arriving at the minimum value per equity share of IREL under the Market Price Method. The market price is considered as higher of following:

(a) average of the weekly high and low of the volume weighted average price during the 26 weeks preceding August 18, 2020; or

(b) average of weekly high and low of the volume weighted average price during the 2 weeks preceding August 18, 2020.

7.6. In the present case, the market price of IBREL has been considered based on last 2 weeks Volume Weighted Average Price ("**VWAP**") on NSE upto August 17, 2020. The said price is higher than the minimum price as per ICDR regulations.

7.7. Since equity shares of NEPL and EOCPDPL are not listed on any stock exchange, market price method has not been considered. Further, CCM method and CTM method are not considered for valuation of the Companies due to difference in the projects specifications, features, financial data, etc. of the Companies as compared to the other companies operating in similar sector.

**Summary of Valuation Approaches Considered:**

| Name of the Companies | Methods Adopted |
|---|---|
| NEPL | DCF Method |
| EOCPDPL | DCF Method |
| IBREL | DCF Method<br>MP Method |

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## 8. Basis of Fair Equity Share Swap Ratio

8.1. The basis of the fair equity share swap ratio for Amalgamation 1 and Amalgamation 2 would have to be determined after taking into consideration all the factors and methods mentioned hereinabove and to arrive at a final value for the shares of each company. It is, however, important to note that in doing so, we are not attempting to arrive at the absolute values of the Companies, but at their relative values to facilitate the determination of the fair equity share swap ratio.

8.2. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of value per share of the Companies. To arrive at the consensus on the fair equity share swap ratio for Amalgamation 1 and Amalgamation 2, rounding off have been done in the values.

8.3. The fair equity share swap ratio has been arrived at on the basis of a relative valuation based on the various approaches/methods explained herein earlier and various qualitative factors relevant to each Company and the business dynamics and growth potentials of the businesses, having regard to information base, key underlying assumptions and limitations. For this purpose, we have assigned appropriate weights to the values arrived at under each approach/method.

## 9. Major factors that were considered during the valuation

9.1. The equity shares of IBREL are listed;

9.2. Key operating/ financial parameters of the Companies;

9.3. Status of ongoing and planned projects of the Companies;

9.4. Restructuring proposed before the Effective Date 1 and Effective Date 2 as discussed in Section 1 of this Report has been considered in the valuation and the shareholding of the Companies post such restructuring has been considered.

*In case any of the restructuring is not completed as on the Effective Date, the same may have material impact on the valuation thereby leading to change in the fair equity share swap ratio provided in this Report.*

9.5. Land Bank of IBREL has been considered at fair value based on analysis of the ready reckoner value and market prices which have been appropriately adjusted for negotiations, COVID impact, etc.

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## 10. Conclusion

10.1. **Fair Equity Share Swap Ratio for Amalgamation 1:**

We have used Discounted Cash Flow method and Market Price method for valuation of IBREL and Discounted Cash Flow method for valuation of NEPL as discussed above and arrived at the recommended fair equity share swap ratio for Amalgamation 1 of NEPL into IBREL as follows:

| Valuation Approach | Valuation Method | NEPL | | IBREL | |
|---|---|---|---|---|---|
| | | Value Per Share (INR) | Weights | Value Per Share (INR) | Weights |
| **Cost Approach** | Summation Method | NA | NA | NA | NA |
| **Income Approach** | DCF Method | 60.28 | 100% | 104.93 | 66.67% |
| **Market Approach** | MP Method | NA | NA | 63.35 | 33.33% |
| **Market Approach** | CCM & CTM Method | NA | NA | NA | NA |
| **Value Per Share** | | **60.28** | | **91.07** | |
| **Swap Ratio (Rounded Off)** | | **10,000** | | **6,619** | |

1. *NA means Not Adopted / Not Applicable.*
2. *NEPL is not listed on any Indian Stock Exchange; hence Market Price Method under Market Approach is not used.*
3. *IBREL is listed on BSE and NSE. Hence, we have considered market price method for valuing IBREL.*
4. *We have not used CCM Method and CTM Method for NEPL and IBREL due to difference in the projects specifications, features, financial data, etc. of NEPL and IBREL as compared to the other companies operating in similar sector and listed on Indian stock exchanges or operating in private space.*
5. *Discounted Cash Flow Method under Income Approach has been considered for valuing NEPL and IBREL based on project specific details made available by respective companies.*
6. *Summation Method under Cost Approach has not been considered since the net asset value does not reflect the intrinsic value of the business in a going concern scenario.*

**Following is the recommended Fair Equity Share Swap Ratio for Amalgamation 1:**

- 6,619 equity shares of Indiabulls Real Estate Limited (of INR 2/- each fully paid up) for every 10,000 equity shares held in NAM Estates Private Limited (of INR 10/- each fully paid up) for the Amalgamation 1.

10.2. **Fair Equity Share Swap Ratio for Amalgamation 2:**

We have used Discounted Cash Flow method and Market Price method for valuation of IBREL and Discounted Cash Flow method for valuation of EOCPDPL as discussed above and arrived at the recommended fair equity share swap ratio for Amalgamation 2 of EOCPDPL into IBREL as follows:

| Valuation Approach | Valuation Method | EOCPDPL | | IBREL | |
|---|---|---|---|---|---|
| | | Value Per Share (INR) | Weights | Value Per Share (INR) | Weights |
| **Cost Approach** | Summation Method | NA | NA | NA | NA |
| **Income Approach** | DCF Method | 49.23 | 100% | 104.93 | 66.67% |
| **Market Approach** | MP Method | NA | NA | 63.35 | 33.33% |
| **Market Approach** | CCM & CTM Method | NA | NA | NA | NA |
| **Value Per Share** | | **49.23** | | **91.07** | |
| **Swap Ratio (Rounded Off)** | | **10,000** | | **5,406** | |

1. *NA means Not Adopted / Not Applicable.*
2. *EOCPDPL is not listed on any Indian Stock Exchange; hence Market Price Method under Market Approach is not used.*
3. *IBREL is listed on BSE and NSE. Hence, we have considered market price method for valuing IBREL.*
4. *We have not used CCM Method and CTM Method for EOCPDPL and IBREL due to difference in the projects specifications, features, financial data, etc. of EOCPDPL and IBREL as compared to the other companies operating in similar sector and listed on Indian stock exchanges or operating in private space.*
5. *Discounted Cash Flow Method under Income Approach has been considered for valuing EOCPDPL and IBREL based on project specific details made available by respective companies.*
6. *Summation Method under Cost Approach has not been considered since the net asset value does not reflect the intrinsic value of the business in a going concern scenario.*

**Following is the recommended Fair Equity Share Swap Ratio for Amalgamation 2:**

- 5,406 equity shares of Indiabulls Real Estate Limited (of INR 2/- each fully paid up) for every 10,000 equity shares held in Embassy One Commercial Property Developments Private Limited (of INR 10/- each fully paid up) for the Amalgamation 2.

# Valuation Annexure to

# Fair Equity Share Swap Ratio Report

# in relation to the Scheme of Amalgamation

## Nam Estates Private Limited and

## Embassy One Commercial Property Developments Private Limited and

## Indiabulls Real Estate Limited

## August 2020

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BDO Valuation Advisory LLP
The Ruby, Level 9, North East Wing
Senapati Bapat Marg, Dadar (W)
Mumbai 400028, India

Ref. No.: MG/Aug181/2020 August 18, 2020

To

The Board of Directors
**NAM Estates Private Limited**
1st Floor, Embassy Point,
150, Infantry Road,
Karnataka – 560052, Bangalore.
India

The Board of Directors
**Indiabulls Real Estate Limited**
M - 62 & 63, First Floor,
Connaught Place,
New Delhi - 110001.
India

The Board of Directors
**Embassy One Commercial Property Developments Private Limited**
1st Floor, Embassy Point,
150, Infantry Road,
Karnataka – 560001, Bangalore.
India

Dear Sir(s)/ Madam(s),

**Sub: Fair Equity Share Swap Ratio Report in relation to the Scheme of Amalgamation**

This is with reference to BDO Valuation Advisory LLP **('BDO India' or 'Us')** report dated August 18, 2020 with Ref. No.: MG/Aug181/2020 **('Report')**. Please find enclosed relevant computations based on which our recommendation of the fair equity share swap ratio for the proposed amalgamation of:

A. NAM Estates Private Limited (**"NEPL"** or **"Amalgamating Company 1"**) with and into Indiabulls Real Estate Limited (**"IBREL"** or **"Amalgamated Company"**); and
B. Embassy One Commercial Property Developments Private Limited ("**EOCPDPL**" or **"Amalgamating Company 2"**) with and into IBREL, the Amalgamated Company

through a scheme of amalgamation between NEPL and EOCPDPL and IBREL and their respective shareholders and creditors (**"the Scheme"**).

NEPL, EOCPDPL and IBREL shall be collectively referred as "**the Companies**" or "**the Clients**". The amalgamation of NEPL with and into IBREL shall be referred as "**Amalgamation 1**" and the amalgamation of EOCPDPL with and into IBREL shall be referred as "**Amalgamation 2**"

In this connection, we mention that the computations enclosed herewith need to be viewed in conjunction with the Report and the documents referred to in the Report.

The recommendation of the fair equity share swap ratio for the proposed amalgamation is arrived on the approach and methodology detailed in the Report and various qualitative factors relevant to each specific company having regard to the information, management representations, key underlying assumptions and limitations as referred in the Report.

Regards,

**For BDO Valuation Advisory LLP**
IBBI No.: IBBI/RV-E/02/2019/103

**Mandar Vikas Gadkari**
IBBI No. IBBI/RV/06/2018/10500
(Securities or Financial Asset)
Partner

**For BDO Valuation Advisory LLP**
IBBI No.: IBBI/RV-E/02/2019/103

**Akriti Bhatia**
IBBI No. IBBI/RV/07/2019/11019
(Land and Building)
Partner

*Encl: As above*

## Annexure 1: Summary of Valuation Approaches & Methodologies used for Valuation Exercise

| Company | Market Approach - MP Method [1] | Market Approach - CCM/ CTM Method [2] | Income Approach - DCF Method [3] | Cost Approach - Summation Method [4] |
|---|---|---|---|---|
| NEPL | X | X | ✓ | X |
| IBREL | ✓ | X | ✓ | X |
| EOCPDPL | X | X | ✓ | X |

***Notes:***

1. *NEPL and EOCPDPL is not listed on any Indian Stock Exchange; hence Market Price Method under Market Approach is not used. IBREL is listed on BSE and NSE. Hence we have considered market price method for valuing IBREL.*
2. *We have not used CCM Method and CTM Method for NEPL, IBREL and EOCPDPL due to difference in the projects specifications, features, financial data, etc. of NEPL, IBREL and EOCPDPL as compared to the other companies operating in similar sector and listed on Indian stock exchanges or operating in private space.*
3. *Discounted Cash Flow Method under Income Approach has been considered for valuing NEPL, IBREL and EOCPDPL based on project specific details made available by respective companies.*
4. *Summation Method under Cost Approach has not been considered since the net asset value does not reflect the intrinsic value of the business in a going concern scenario.*

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In the light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined in the Report and hereinabove, in our opinion fair equity share swap ratio for Amalgamation 1 of NEPL into IBREL is as follows (as per the Report):

a) In the event of amalgamation of NEPL into IBREL:

| Valuation Approach | Valuation Method | NEPL | | IBREL | |
|---|---|---|---|---|---|
| | | Value Per Share (INR) | Weights | Value Per Share (INR) | Weights |
| **Cost Approach** | Summation Method | NA | NA | NA | NA |
| **Income Approach** | DCF Method | 60.28 | 100% | 104.93 | 66.67% |
| **Market Approach** | MP Method | NA | NA | 63.35 | 33.33% |
| **Market Approach** | CCM & CTM Method | NA | NA | NA | NA |
| **Value Per Share** | | **60.28** | | **91.07** | |
| **Swap Ratio (Rounded Off)** | | **10,000** | | **6,619** | |

**NA= Not Adopted/Not Applicable**

**Recommendation:**

- 6,619 equity shares of Indiabulls Real Estate Limited (of INR 2/- each fully paid up) for every 10,000 equity shares held in NAM Estates Private Limited (of INR 10/- each fully paid up) for the Amalgamation 1.

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In the light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined in the Report and hereinabove, in our opinion fair equity share swap ratio for Amalgamation 2 of EOCPDPL into IBREL is as follows (as per the Report):

b) In the event of amalgamation of EOCPDPL into IBREL:

| Valuation Approach | Valuation Method | EOCPDPL | | IBREL | |
|---|---|---|---|---|---|
| | | Value Per Share (INR) | Weights | Value Per Share (INR) | Weights |
| **Cost Approach** | Summation Method | NA | NA | NA | NA |
| **Income Approach** | DCF Method | 49.23 | 100% | 104.93 | 66.67% |
| **Market Approach** | MP Method | NA | NA | 63.35 | 33.33% |
| **Market Approach** | CCM & CTM Method | NA | NA | NA | NA |
| **Value Per Share** | | **49.23** | | **91.07** | |
| **Swap Ratio (Rounded Off)** | | **10,000** | | **5,406** | |

**NA= Not Adopted/Not Applicable**

**Recommendation:**

- 5,406 equity shares of Indiabulls Real Estate Limited (of INR 2/- each fully paid up) for every 10,000 equity shares held in Embassy One Commercial Property Developments Private Limited (of INR 10/- each fully paid up) for the Amalgamation 2.

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## Annexure 2: Valuation of NEPL, IBREL and EOCPDPL as per Discounted Cash Flow Method:

The future financial projections of NEPL, IBREL and EOCPDPL is based on the information provided by the respective management. The future earning capability of the business is important; therefore, we have considered DCF Method under Income Approach.

DCF Analysis

**A) NEPL**

| Particulars | Amount (INR Mn) |
|---|---|
| Net Present Value (NPV) of Project Cash Flow for the explicit period | 93,963.2 |
| Add: NPV of Terminal Value | 731.7 |
| **Enterprise Value of Assets** | **94,694.9** |
| Less: Other Adjustments as at the Valuation Date | (44,146.9) |
| **Equity Value** | **50,548.1** |
| Number of Equity Shares (including ESOPs) (in Mn) | 838.6 |
| **Equity Value per share (INR)** | **60.28** |

**B) IBREL**

| Particulars | Amount (INR Mn) |
|---|---|
| Net Present Value (NPV) of Project Cash Flow for the explicit period | 44,547.2 |
| Add: NPV of Terminal Value | 1,512.4 |
| Add: Value of Land Bank | 15,868.7 |
| **Enterprise Value of Assets** | **61,928.3** |
| Add: Amount Receivable from ESOPs | 102.8 |
| Less: Other Adjustments as at the Valuation Date | (14,140.2) |
| **Equity Value** | **47,891.0** |
| Number of Equity Shares (including ESOPs) (in Mn) | 456.4 |
| **Equity Value per share (INR)** | **104.93** |

C) EOCPDPL

| Particulars | Amount (INR Mn) |
|---|---|
| Net Present Value (NPV) of Project Cash Flow for the explicit period | 7,415.4 |
| Add: NPV of Terminal Value | - |
| **Enterprise Value of Assets** | **7,415.4** |
| Less: Other Adjustments as at the Valuation Date | 541.1 |
| **Equity Value** | **7,956.5** |
| Number of Equity Shares (including ESOPs) (in Mn) | 161.6 |
| **Equity Value per share (INR)** | **49.23** |

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## Annexure 3: Valuation of IBREL as per Market Price Method

In the present case, the share price of IBREL on the NSE has been considered, as the trading volumes are higher at NSE as compared to BSE as per the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018 (“**ICDR Regulations**”) and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 guidelines, as applicable, on a recognized stock exchange during the twelve calendar months preceding the relevant date.

Attention may also be drawn to Regulation 158 of ICDR Regulations which specifies that issue of equity shares to shareholders of an unlisted entity pursuant to a National Company Law Tribunal approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 164 of the said regulations. Further it may be noted that Regulation 164 specifies the minimum price for issue of shares on a preferential basis.

As per the Pricing Formula provided in Regulations 164 (1), the minimum value per equity share of IBREL is considered as higher of following:

(a) average of the weekly high and low of the volume weighted average price during the 26 weeks preceding August 18, 2020; or

(b) average of weekly high and low of the volume weighted average price during the 2 weeks preceding August 18, 2020.

As per the said Regulation 164(1) of ICDR Regulations, the minimum value per share of IBREL is INR 60.65 per share (Refer Table 3(i) below).

As per the Pricing Formula provided in Regulations 164B, the minimum value per equity share of IBREL is considered as higher of following:

(a) average of the weekly high and low of the volume weighted average price during the 12 weeks preceding August 18, 2020; or

(b) average of weekly high and low of the volume weighted average price during the 2 weeks preceding August 18, 2020.

As per the said Regulation 164B of ICDR Regulations, the minimum value per share of IBREL is INR 60.65 per share (Refer Table 3(i) below).

In the present case, the market price of IBREL has been considered based on last 2 weeks Volume Weighted Average Price (“**VWAP**”) on NSE upto August 17, 2020 ( **INR 63.35 per share -** Refer Table 3(ii) below).

**The said 2 weeks VWAP price considered (INR 63.35 per share) is higher than the minimum price as per ICDR regulations (INR 60.65 per share).**

BDO

Table 3(i) Pricing as per ICDR regulations

| Week | Week Ending Date | Weekly High of VWAP | Weekly Low of VWAP | Average of Weekly High & Low |
|---|---|---|---|---|
| 1 | 17-Aug-20 | 69.04 | 61.78 | 65.41 |
| 2 | 10-Aug-20 | 57.15 | 54.64 | 55.90 |
| 3 | 3-Aug-20 | 53.00 | 49.81 | 51.41 |
| 4 | 27-Jul-20 | 59.46 | 52.59 | 56.03 |
| 5 | 20-Jul-20 | 64.21 | 59.26 | 61.74 |
| 6 | 13-Jul-20 | 69.06 | 60.83 | 64.95 |
| 7 | 6-Jul-20 | 59.06 | 49.76 | 54.41 |
| 8 | 29-Jun-20 | 54.89 | 51.19 | 53.04 |
| 9 | 22-Jun-20 | 51.05 | 45.70 | 48.38 |
| 10 | 15-Jun-20 | 52.09 | 48.65 | 50.37 |
| 11 | 8-Jun-20 | 48.78 | 43.97 | 46.38 |
| 12 | 1-Jun-20 | 44.88 | 42.53 | 43.71 |
| 13 | 25-May-20 | 41.16 | 40.73 | 40.95 |
| 14 | 18-May-20 | 46.86 | 41.99 | 44.43 |
| 15 | 11-May-20 | 53.13 | 48.54 | 50.84 |
| 16 | 4-May-20 | 60.98 | 55.65 | 58.32 |
| 17 | 27-Apr-20 | 62.96 | 54.31 | 58.64 |
| 18 | 20-Apr-20 | 54.44 | 47.12 | 50.78 |
| 19 | 13-Apr-20 | 44.64 | 42.65 | 43.65 |
| 20 | 6-Apr-20 | 40.78 | 40.42 | 40.60 |
| 21 | 30-Mar-20 | 40.70 | 37.89 | 39.30 |
| 22 | 23-Mar-20 | 51.30 | 42.80 | 47.05 |
| 23 | 16-Mar-20 | 62.80 | 53.95 | 58.38 |
| 24 | 9-Mar-20 | 73.88 | 66.10 | 69.99 |
| 25 | 2-Mar-20 | 83.51 | 74.72 | 79.12 |
| 26 | 24-Feb-20 | 90.60 | 84.98 | 87.79 |

| Minimum price prescribed under Regulation 164 | INR Per share |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 26 weeks preceding the relevant date | **54.67** |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | **60.65** |
| **Higher of the above two considered as minimum price under Regulation 164** | **60.65** |

| Minimum price prescribed under Regulation 164B | INR Per share |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 12 weeks preceding the relevant date | 54.31 |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | 60.65 |
| **Higher of the above two considered as minimum price under Regulation 164B** | **60.65** |

**Table 3(ii) - 2 weeks Volume Weighted Average Price**

| Date | Volume (INR) | Value (INR) |
|---|---|---|
| 17-Aug-20 | 68,67,245 | 47,41,35,566 |
| 14-Aug-20 | 74,62,152 | 50,90,99,183 |
| 13-Aug-20 | 77,96,528 | 51,61,51,208 |
| 12-Aug-20 | 47,06,281 | 29,50,66,142 |
| 11-Aug-20 | 67,18,573 | 41,50,61,903 |
| 10-Aug-20 | 36,82,531 | 21,04,41,106 |
| 07-Aug-20 | 22,35,693 | 12,24,15,180 |
| 06-Aug-20 | 14,02,956 | 7,82,41,640 |
| 05-Aug-20 | 20,11,071 | 11,24,78,879 |
| 04-Aug-20 | 18,79,836 | 10,27,07,509 |
| **Total** | **4,47,62,866** | **2,83,57,98,315** |

The value of IBREL as per market price method is arrived at INR 63.35 per share derived by dividing the total value by the total volume for the past 2 weeks as provided in the table above.

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The Ruby, Level 9, North East Wing
Senapati Bapat Marg, Dadar (W)
Mumbai 400028, India

December 1, 2020

To

The Company Secretary
**Indiabulls Real Estate Limited**
M - 62 & 63, First Floor,
Connaught Place,
New Delhi - 110001.
India

Dear Sir(s)/ Madam(s),

**Sub: Our Fair Equity Share Swap Ratio Report dated August 18, 2020 in relation to the Scheme of Amalgamation**

This is with reference to BDO Valuation Advisory LLP **('BDO India' or 'Us')** report dated August 18, 2020 with Ref. No.: MG/Aug181/2020 **('Report')**. The report was w.r.t recommendation of the fair equity share swap ratio for the proposed amalgamation of:

A. NAM Estates Private Limited (**"NEPL"** or **"Amalgamating Company 1"**) with and into Indiabulls Real Estate Limited (**"IBREL"** or **"Amalgamated Company"**); and
B. Embassy One Commercial Property Developments Private Limited ("**EOCPDPL**" or **"Amalgamating Company 2"**) with and into IBREL, the Amalgamated Company

through a scheme of amalgamation between NEPL and EOCPDPL and IBREL and their respective shareholders and creditors (**"the Scheme")**.

We understand that query has been sought by the Stock Exchanges w.r.t the pricing guidelines followed during the valuation exercise. In this relation we would like to state our position as under:

- Since the Equity shares of IBREL are listed and traded on the BSE Ltd (**"BSE")** and the National Stock Exchange of India Limited **("NSE"),** we have referred to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018 as amended from time to time ("**ICDR Regulations**") and the specific information/explanations available.

- The share price of IBREL on the NSE has been considered, as the trading volumes are higher at NSE as compared to BSE as per the requirements of the ICDR Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 guidelines, as applicable, on a recognized stock exchange during the twelve calendar months preceding the relevant date (August 18, 2020 in the instant case).

- Further we have been informed by the Company (IBREL) that it has decided to follow the pricing guidelines as per Regulation 164(1) of the ICDR Regulations.

- As per the Pricing Formula provided in Regulations 164 (1), the minimum value per equity share of IBREL is considered as higher of following:

  (a) average of the weekly high and low of the volume weighted average price during the 26 weeks preceding August 18, 2020; or

  (b) average of weekly high and low of the volume weighted average price during the 2 weeks preceding August 18, 2020.

- As per the said Regulation 164(1) of ICDR Regulations, the minimum value per share of IBREL is INR 60.65 per share (Refer Table I below on page 3).

Please note that this clarification is being issued on specific query raised and should be read along with the Report.

Regards,

**For BDO Valuation Advisory LLP**
IBBI No.: IBBI/RV-E/02/2019/103

**Mandar Vikas Gadkari**
IBBI No. IBBI/RV/06/2018/10500
(Securities or Financial Asset)
Partner

Table I - Pricing as per ICDR regulations

| Week | Week Ending Date | Weekly High of VWAP | Weekly Low of VWAP | Average of Weekly High & Low |
|---|---|---|---|---|
| 1 | 17-Aug-20 | 69.04 | 61.78 | 65.41 |
| 2 | 10-Aug-20 | 57.15 | 54.64 | 55.90 |
| 3 | 3-Aug-20 | 53.00 | 49.81 | 51.41 |
| 4 | 27-Jul-20 | 59.46 | 52.59 | 56.03 |
| 5 | 20-Jul-20 | 64.21 | 59.26 | 61.74 |
| 6 | 13-Jul-20 | 69.06 | 60.83 | 64.95 |
| 7 | 6-Jul-20 | 59.06 | 49.76 | 54.41 |
| 8 | 29-Jun-20 | 54.89 | 51.19 | 53.04 |
| 9 | 22-Jun-20 | 51.05 | 45.70 | 48.38 |
| 10 | 15-Jun-20 | 52.09 | 48.65 | 50.37 |
| 11 | 8-Jun-20 | 48.78 | 43.97 | 46.38 |
| 12 | 1-Jun-20 | 44.88 | 42.53 | 43.71 |
| 13 | 25-May-20 | 41.16 | 40.73 | 40.95 |
| 14 | 18-May-20 | 46.86 | 41.99 | 44.43 |
| 15 | 11-May-20 | 53.13 | 48.54 | 50.84 |
| 16 | 4-May-20 | 60.98 | 55.65 | 58.32 |
| 17 | 27-Apr-20 | 62.96 | 54.31 | 58.64 |
| 18 | 20-Apr-20 | 54.44 | 47.12 | 50.78 |
| 19 | 13-Apr-20 | 44.64 | 42.65 | 43.65 |
| 20 | 6-Apr-20 | 40.78 | 40.42 | 40.60 |
| 21 | 30-Mar-20 | 40.70 | 37.89 | 39.30 |
| 22 | 23-Mar-20 | 51.30 | 42.80 | 47.05 |
| 23 | 16-Mar-20 | 62.80 | 53.95 | 58.38 |
| 24 | 9-Mar-20 | 73.88 | 66.10 | 69.99 |
| 25 | 2-Mar-20 | 83.51 | 74.72 | 79.12 |
| 26 | 24-Feb-20 | 90.60 | 84.98 | 87.79 |

| Minimum price prescribed under Regulation 164 | INR Per share |
|---|---|
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 26 weeks preceding the relevant date | 54.67 |
| Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 weeks preceding the relevant date | 60.65 |
| **Higher of the above two considered as minimum price under Regulation 164** | **60.65** |

o3capital

To,

August 18, 2020

The Board of Directors,
Indiabulls Real Estate Limited (IBREL)
M - 62 & 63 First Floor, Connaught Place,
New Delhi -110001, India

Dear Sir,

**Sub: Fairness Opinion Report ("Fairness Opinion" or Report")**

We understand that you are considering a merger proposal wherein you intend to merge NAM Estates Private Limited (entity of Embassy Group) ("**NEPL**" or the "**Amalgamating Company - 1**") and Embassy One Commercial Property Developments Private Limited (entity of Embassy Group) ("**EOCPD**" or the "**Amalgamating Company - 2**") into and with Indiabulls Real Estate Limited ("**IBREL**", "**Company**" or the "**Amalgamated Company**") (collectively called as "**Companies**") under section 230 to 232 and other applicable provisions of the Companies Act, 2013, by way of share swap.

We also understand that prior to the merger, the Management of NEPL intends to carry out a restructuring exercise wherein certain assets/ projects/ business undertakings of Embassy Group including the investment in group entities/ other entities are to be transferred to NEPL by way of transfer / swap / demerger/ slump sale.

We also understand that prior to the merger, the Management of EOCPD intends to carry out a restructuring exercise wherein certain assets/ projects/ business undertakings of a few other entities are to be transferred to EOCPD by way of transfer/ swap/ demerger/ slump sale.

Be advised that while certain provisions of the Merger are provided below, the terms of the Merger shall be more fully described in the scheme document to be published in relation to the Merger (the "**Scheme Document**"). As a result, the description of the Merger and certain other information contained herein is qualified in its entirety by reference to the Scheme Document.

Pursuant to the Merger, the Amalgamated Company will issue and allot to all the shareholders of the Amalgamating Company - 1, **6,619 ("Six Thousand Six Hundred and Nineteen")** fully paid up equity shares of par value INR 2 (Indian Rupees Two) each of the Amalgamated Company for every **10,000 ("Ten Thousand")** fully paid up equity shares of par value INR 10 (Indian Rupees Ten) each of the Amalgamating Company - 1 held by such shareholder **("Share Exchange Ratio – 1")**.

**AND** to all the shareholders of the Amalgamating Company - 2, **5,406 ("Five Thousand Four Hundred and Six")** fully paid up equity shares of par value INR 2 (Indian Rupees Two) each of the Amalgamated Company for every **10,000 ("Ten Thousand")** fully paid up equity shares of par value INR 10 (Indian Rupees Ten) each of the Amalgamating Company - 2 held by such shareholder ("**Share Exchange Ratio - 2**") and collectively Share Exchange Ratio -1 and Share Exchange Ratio – 2 are called as **Share Exchange Ratios.**

The Share Exchange Ratio -1 and Share Exchange Ratio - 2 are based on the valuation report dated 18th August, 2020 ("**Valuation Date**") prepared independently by N S KUMAR & CO. appointed by the Board of IBREL (hereinafter both referred to as "**Valuer**"), Chartered Accountants appointed for recommending the Share Exchange Ratios for the Merger (the "**Valuation Report**").

The Board has appointed o3 Capital Global Advisory Private Limited ("**o3 Capital**" or "**we**" or "**us**"), a Category I Merchant Banker registered with SEBI having its registration no. INM000011815, vide an engagement letter dated 08th July, 2020 to issue a fairness opinion to the Company in relation to the Share Exchange Ratio – 1 and Share Exchange Ratio - 2 recommended by the Valuer and as set out in the Valuation Report.

This Fairness Opinion Report is issued in terms of CFD/DIL3/CIR/2017/21 under regulation 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This opinion is subject to the scope, limitations and disclaimers detailed herein.

**Scope of our review:**

In arriving at the opinion set out below, we have, among other things:

1. reviewed the Valuation Report, and discussed the same with the Valuer;
2. reviewed the draft Scheme Document ("**Draft Scheme**");
3. reviewed certain publicly available business information on the Company, the Amalgamating Company - 1 and the Amalgamating Company - 2;
4. reviewed the annual report for the Company for the financial years ending 31st March 2018, 31st March 2019, audited financial results for the financial year ending 31st March 2020;
5. reviewed the reported price of the Company's shares for the past one year;
6. Background information provided through emails or during discussions.

We have also obtained further explanations and information considered reasonably necessary for our exercise, from the management and discussed with management the past and current business operations or the financial condition of the Companies.

**Procedures Adopted:**

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information from the management and obtained data available in public domain;
- Discussions with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance of the Companies;
- Discussions with the Valuer to understand the valuation methodology adopted and reviewed internationally accepted valuation methodology/(ies) as considered appropriate in relation to the Companies and the Transaction;
- Researched publicly available market data including economic factors and industry trends that may impact the valuation.

**Assumption and limitations:**

In giving our opinion:

1. We have relied without independent verification, upon the accuracy and completeness of all of the information (including, without limitation the Valuation Report) that was made available to us or publicly available or was discussed with or reviewed by us (including the information set out above) and have assumed such accuracy and completeness for the purpose of providing this opinion;
2. We have relied on the assessment of IBREL's management on the commercial merits of the Merger, including that the Merger is in the best interests of the Company and its shareholders as a whole;
3. We have not been provided with any financial forecasts or other internal financial analysis relating to the Company, the Amalgamating Company - 1 or the Amalgamating Company - 2 or a copy of the Company’s, the Amalgamating Company - 1's or the Amalgamating Company - 2’s business plans;
4. While we have used various assumptions, judgements and estimates in our inquiry, which we consider reasonable and appropriate under the circumstances, no assurances can be given as to the accuracy of any such assumptions, judgments and estimates;
5. We have assumed that all governmental, regulatory, shareholder and other consents and approvals necessary for the Merger will be obtained in a timely manner without any adverse effect on the Company;
6. We have not made any independent evaluation or appraisal of the assets and liabilities of the Company and its subsidiaries, the Amalgamating Company - 1 or the Amalgamating Company - 2 and we have not been furnished with any such evaluation or appraisal, nor have we evaluated the solvency or fair value of the Company, the Amalgamating Company - 1 or the Amalgamating Company - 2 under any laws relating to the bankruptcy, insolvency or similar matters;
7. We have not conducted any independent legal, tax, accounting or other analysis of the Company or of the Merger and when appropriate we have relied solely upon the judgements of the Company's legal, tax, accountants and other professional advisers who may have given such advice to the Company without knowledge or acceptance that it would be relied upon by us for the purpose of this opinion. We have not included the legal and tax effects of any reorganization or transaction costs that may arise as a result of the Merger in our analysis. In addition, we have not performed any independent analysis of the situation of the individual shareholders of the Company, including with respect to taxation in relation to the Merger and express no opinion thereon;
8. We have not undertaken independent analysis of any potential or actual litigation, regulatory action, possible un-asserted claims, or other contingent liabilities to which the Company, the Amalgamating Company - 1 or the Amalgamating Company - 2 is or may be a party or is or may be subject, or of any government investigation of any possible un-asserted claims or other contingent liabilities to which the Company, the Amalgamating Company - 1 or the Amalgamating Company - 2 is or may be a party or is or may be subject, and relied on the information provided by the management of the companies;
9. We have not conducted any physical inspection of the properties or facilities of the Company, the Amalgamating Company - 1 or the Amalgamating Company - 2;
10. We have assumed that the Merger will be consummated on the terms set forth in the Scheme Document and that the final version of the Scheme Document will not change in any material respect from the draft version we have reviewed for the purpose of this opinion;

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11. We have assumed that the Share Exchange Ratio – 1 and Share Exchange Ratio - 2 will not be subject to any adjustments and express no opinion regarding any adjustments to the Share Exchange Ratio – 1 or Share Exchange Ratio - 2 after the date of this opinion;
12. We have assumed that the management of the Company are not aware of any facts or circumstances that would make any information necessary for us to provide this opinion inaccurate or misleading and that the management have not omitted to provide us with any information which may be relevant to the delivery or this opinion.

Our opinion is necessarily based on the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect the opinion and that we do not have any obligation to update, revise or reaffirm this opinion.

We are expressing no opinion herein as to the price at which any securities of the Amalgamated Company will trade at any time.

**Relationship with o3 Capital:**

o3 Capital was not requested to, and did not, provide advice concerning the structure, the Share Exchange Ratio -1 or Share Exchange Ratio - 2 or any other aspects of the Merger or to provide services other than the delivery of this Fairness Opinion. o3 Capital did not participate in negotiations with respect to the terms of the Merger and any related transactions. Consequently, o3 Capital has assumed that such terms are the most beneficial terms from the Company's perspective that could under the circumstances be negotiated with the Amalgamating Company - 1 and Amalgamating Company - 2.

We will receive a fee from the Company for rendering this opinion which is not contingent upon the results reported and fairness opinion provided by us. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Companies, their directors, employees or agents.

In the past 5 years, o3 Capital and its affiliates have provided advisory and merchant banking services to the Amalgamating Company - 1 and its affiliates (the "Amalgamating Group") and have received fees for the rendering of these services, and may continue to provide such services to the Amalgamated Company, The Amalgamating Company - 1, Amalgamating Company - 2 and its affiliates and the Amalgamating Group and receive fees in relation thereto. Such services may include, without limitation, providing advisory and merchant banking services to the Amalgamated Company, The Amalgamating Company - 1, Amalgamating Company - 2 and its affiliates and the Amalgamating Group in relation to the Merger. It is prudent to note that o3 Securities Private Limited, an affiliate of o3 Capital, may, in the ordinary course of their business, trade in the equity or other listed securities of the Amalgamated Company for their own accounts, or for the accounts of its customers. However, we have adopted appropriate mechanisms and procedures to comply with the Model Code, as prescribed in Schedule I of Regulation 12 of SEBI (Prohibition of Insider Trading) Regulations, 1992.

**Other limitations:**

This opinion is addressed to and provided solely for the Board of Directors of the Company exclusively in connection with and for the purposes of its evaluation of the fairness of the Share Exchange Ratio – 1 and

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Share Exchange Ratio - 2. This letter shall not confer rights or remedies upon, and may not be used or relied on by, any holder of securities of the Company, any creditor of the Company or by any other person other than the Board of Directors of the Company.

o3 Capital is acting for the Board of Directors of the Company and no one else in connection with the Merger and will not be responsible to any person other than the Board of Directors of the Company for providing this opinion. Neither the existence of this letter nor its contents may be copied in whole or in part, or discussed with any other parties, or published or made public or referred to in any way, without our prior written consent in each instance, except that this opinion may be described in and included in its entirely in the Scheme Document. We take no responsibility or liability for any claims arising out of any such disclosure and we specifically disclaim any responsibility to any third party to whom this opinion may be shown or who may acquire a copy of this opinion.

This opinion shall be governed by the laws of India.

This Report does not constitute a solvency opinion or an investment recommendation and should not be construed as such either for making or divesting investment. Our work does not constitute an audit or certification or due diligence of the past financials of the Company, the Amalgamating Company - 1 or the Amalgamating Company - 2 and we have relied upon the information provided to us by the Company and the Valuer as regards such working results.

Specifically, this opinion does not address the commercial merits of the Merger nor the underlying decision by the Company to proceed with the Merger nor does it constitute a recommendation to any shareholder or creditor of the Company as to how such shareholder or creditor should vote with respect to the Merger or any other matter.

The ultimate responsibility for the decision to recommend the Merger rests solely with the Board of Directors of the Company.

**Our Analysis:**

For the purpose of forming our opinion and the Report, we have primarily relied on the Valuation Report and our discussions with the Valuer.

As per the current market valuation standards, any valuation exercise can be carried out using various methodologies including, but not limited to, Market Multiple method, Net Asset Value method and Discounted Cash Flow method and the appropriateness of the valuation methodology depends on various factors. Basis our discussions with the Valuer, we were informed that taking into consideration the market conditions and the overall development status of all the projects that are currently being undertaken / to be undertaken by the Companies; the valuation methodology that was adopted is the Discounted Cash Flow methodology on an individual project level basis. Also, with respect to the Amalgamated Company, the Discounted Cash Flow valuation has also been adjusted to give effect to the current market price of the shares of the Amalgamated Company.

It is prudent to note that for any real estate development company, the project cash flows and, therefore, value of the project is largely dependent on various factors including, but not limited to, time taken for obtaining the regulatory approvals, the development time lines, the sales velocity, the overall demand – supply metrics, the average sales price achieved over time and any cost over runs, etc. We were informed that to ensure the appropriateness and uniformity in the valuation, the Valuer has adopted the Discounted Cash Flow methodology for all the Companies by adopting appropriate assumptions in light of the current market conditions and the project conditions / overall project status.

**Conclusion:**

Based upon, and subject to, the foregoing we are of the opinion that, as of the date hereof, the Share Exchange Ratio -1 and Share Exchange Ratio -2 are fair, from a financial point of view, to the shareholders of the Company.

Yours faithfully,

For **o3 Capital Global Advisory Private Limited,**

O3 CAPITAL GLOBAL ADVISORY PVT. LTD. Bangalore

**Srinivas T.R.**
**Director**
**o3 Capital Global Advisory Pvt Ltd**
**SEBI Regn. No.: INM000011815**

**Background:**

**Indiabulls Real Estate Limited ("IBREL" or "Amalgamated Company")**

IBREL having CIN L45101DL2006PLC148314, a public limited company incorporated under the 1956 Act and engaged in the business of construction and development of residential and commercial properties across multiple geographical locations in India with expertise in real estate & is listed on the National Stock Exchange ("NSE") & Bombay Stock Exchange ("BSE"). The shareholding pattern as on 31st March, 2020 of IBREL is as follows:

| Particulars | No. of shares | % Shareholding |
|---|---|---|
| Promoter & Group | 10,61,89,745 | 23.38% |
| Public & others | 34,84,74,131 | 76.62% |
| **Grand Total** | **45,46,63,876** | **100.0%** |

**NAM Estates Private Limited ("NEPL" or "Amalgamating Company – 1")**

NEPL having CIN U85110KA1995PTC017950, a company incorporated as a private limited company under the 1956 Act and part of Embassy Group and is engaged in the business of construction and development of residential and commercial properties across multiple geographical locations in India. The shareholding pattern of NEPL is as follows:

| Particulars | No. of shares | Face Value | Amount (INR) |
|---|---|---|---|
| Existing No. of shares | 70,002 | 10 | 700,020 |
| Shares issued post NAM Internal Restructuring [Pursuant to Clause 1.4.25 of the Draft Scheme] | 446,133,835 | 10 | 4,461,338,350 |
| Shares issued to Investor Share Swap [Pursuant to Clause 5 of the Draft Scheme] | 392,375,551 | 10 | 3,923,755,510 |
| **Total** | **838,579,388** | **10** | **8,385,793,880** |

**Embassy One Commercial Property Developments Private Limited ("EOCPD" or "Amalgamating Company – 2")**

EOCPD having CIN U70109KA2018PTC135028, a company incorporated as a private limited company under the 2013 Act and engaged in the business of construction and development of residential and commercial properties. The shareholding pattern of EOCPD is as follows:

| Particulars | No. of shares | Face Value | Amount (INR) |
|---|---|---|---|
| Existing No. of shares | 10,000 | 10 | 100,000 |
| Shares issued to Investor Share Swap [Pursuant to Clause 18 of the Draft Scheme] | 161,600,000 | 10 | 1,616,000,000 |
| **Total** | **161,610,000** | | **1,616,100,000** |

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BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

**DCS/AMAL/JR/R37/1901/2020-21** **"E-Letter"** **February 19, 2021**

The Company Secretary,
**INDIABULLS REAL ESTATE LTD**
M - 62 & 63, First Floor, Connaught Place,
New Delhi, Delhi, 110001

Sir,

**Sub: Observation letter regarding Draft Scheme of Amalgamation between NAM Estates Private Limited and Embassy One Commercial Property Developments Private Limited with Indiabulls Real Estate Limited and their respective Shareholders and Creditors.**

We are in receipt of the Draft Scheme of Amalgamation by Indiabulls Real Estate Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated February 16, 2021 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- **"Company shall ensure that applicable information pertaining unlisted NAM Estates Private Limited and Embassy One Commercial Property Developments Private Limited is included in the abridged prospectus as per the format specified in the circular."**
- **"Company shall ensure that additional information/undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circular."**
- **"Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal."**
- **"Company is advised that the observations of SEBI/Stock Exchanges and undertakings submitted by the Company after filing the scheme with Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the them to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

**Nitinkumar Pujari**
**Senior Manager**

Ref: NSE/LIST/25279_II February 23, 2021

The Company Secretary
Indiabulls Real Estate Limited
M - 62 & 63, First Floor,
Connaught Place,
New Delhi – 110001

**Kind Attn.: Mr. Ravi Telkar**

Dear Sir,

**Sub: Observation Letter for Draft Scheme of Amalgamation between Nam Estates Private Limited, Embassy One Commercial Property Developments Private Limited, Indiabulls Real Estate Limited and their respective shareholders and creditors**

We are in receipt of the Draft Scheme of Amalgamation between Nam Estates Private Limited, Embassy One Commercial Property Developments Private Limited, Indiabulls Real Estate Limited and their respective shareholders and creditors vide application dated November 13, 2020.

Based on our letter reference no Ref: NSE/LIST/25279 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

a. *The Company shall ensure that applicable information pertaining unlisted NAM Estates Private Limited and Embassy One Commercial Property Developments Private Limited is included in the abridged prospectus as per the format specified in the circular.*

b. *The Company shall ensure that additional information/ undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company.*

c. *The Company shall duly comply with various provisions of the Circular.*

d. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*

e. *The Company is advised that the observations of SEBI/Stock Exchanges and undertakings submitted by the Company after filing the scheme with Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the them to the notice of NCLT.*

f. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence,*

This Document is Digitally Signed

Signer: Rajendra P Bhosale
Date: Tue, Feb 23, 2021 20:56:45 IST
Location: NSE

*the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observation/ representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from February 23, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Rajendra Bhosale
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

Signer: Rajendra P Bhosale
Date: Tue, Feb 23, 2021 20:56:45 IST
Location: NSE

**COMPETITION COMMISSION OF INDIA**
**(Combination Registration No. C-2020/12/794)**

**24th February 2021**

**Notice under Section 6 (2) of the Competition Act, 2002 jointly given by NAM Estates Private Limited, Embassy One Commercial Property Developments Private Limited, Indiabulls Real Estate Limited and Others**

**CORAM:**

Mr. Ashok Kumar Gupta
Chairperson

Ms. Sangeeta Verma
Member

Mr. Bhagwant Singh Bishnoi
Member

**Order under Section 31(1) of the Competition Act, 2002**

1. On 3rd December 2020, the Competition Commission of India ('**Commission**') received a notice ('**Notice**') under Section 6(2) of the Competition Act, 2002 ('**Act**'). Initially, Notice was given by only NAM Estates Private Limited ('**NAM Estates**'), Embassy One Commercial Property Developments Private Limited (**EOCPDPL**), Indiabulls Real Estate Limited (**IBREL**). However, acquirers for inter connected transactions were not the notifying parties to the Notice. Later on, such acquirers[1] became notifying parties by furnishing relevant documents. The Notice has been *inter alia* given pursuant to execution of the Implementation Agreement entered into between NAM Estates, EOCPDPL and IBREL on 18th August 2020 (**IA**)[2] and draft merger

[1] JV Holding Private Limited, Embassy Property Developments Private Limited, OMR Investments LLP, Mr. Karan Virwani, Mr. Aditya Virwani, Mr. Neel Virwani, Mr. Jitendra Virwani, Ms. Vasundhara Harshavardhan, Mr. Narpat Singh Choraria, Blackstone Swap Investors (including transferees) [Blackstone IPPL Investor: FIM Holdco I Limited; Ariston Investments Sub A Limited], Blackstone EODPL Investor [WWD Pearl Limited, Mauritius; BREP Asia SG City View Holding (NQ) Pte Ltd.; BREP VII SG City View Holding (NQ) Pte Ltd; BREP Asia SBS City View Holding (NQ) Ltd.; BREP VII SBS City View Holding (NQ) Ltd.] Blackstone IPPL Transferee [BREP Asia SG L&T Holding (NQ) Pte Ltd.; BREP Asia SBS L&T Holding (NQ) Ltd.; BREP VIII SBS L&T Holding (NQ) Ltd.] and Florence Investments Limited

[2] Amended *vide* Amendment Agreement dated 12th November 2020 (**Amendment to IA**).

scheme approved by the board of directors of NAM Estates, EOCPDPL and IBREL on 18th August 2020.

2. The Commission *vide* its letter dated 21st December 2020, issued under Regulation 14(3) of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (**Combination Regulations**), required the parties to remove defects in the Notice and furnish certain information relevant for the purpose of assessment of the proposed combination. Parties furnished their submissions *vide* communications dated 8th January 2021, 12th January 2021, 12th February 2021, 17th February 2021, and 23rd February 2021.

3. The Proposed Combination envisages merger of NAM Estates and EOCPDPL into IBREL. However, before the merger of NAM Estates and EOCPDPL into IBREL is given effect to: (i) reorganisation of the Embassy Group will be carried out, thereunder certain identified assets, securities, interest and / or investments of certain entities of the Embassy Group will be transferred to NAM Estates (**Restructuring**); and (ii) certain third party investors and Embassy Property Developments Private Limited (**EPDPL**) would swap their current shareholding held in certain entities in exchange for shares in NAM Estates / EOCPDPL (**Share Swap**). Restructuring and Share Swap are part of one composite transaction [*i.e.* Proposed Combination]. Upon conclusion of the Proposed Combination, Mr. Jitendra Virwani, Chairman of the Embassy Group, along with certain other individuals and promoter entities of Embassy Group, will be classified as the new promoter group of IBREL. Further, as a result of the Proposed Combination, Blackstone group would have: (i) right to appoint 1 Director and 1 Observer on the board of directors and (ii) affirmative voting rights and information rights in resultant entity.

4. NAM Estates is engaged in the business of development of commercial and residential real estate and other related activities. EOCPDPL is engaged in the business of providing common area maintenance services for construction and development of real estate projects (both residential and commercial) and other related activities. Both NAM Estates and EOCPDPL are part of the Embassy Group. Embassy Group is a real estate development group. It operates in commercial, residential, retail, hospitality, educational, industrial warehouse spaces and other

miscellaneous services. It is said to be operating in leasing office space and developing integrated office parks, including certain commercial space of Embassy Office Parks. Embassy Office Parks was eventually transferred to Embassy Office Parks REIT (**EOP REIT**).

5. Principal business activities of IBREL are real estate project advisory, construction and development of real estate projects, real estate rental and other services that are related, and ancillary, to the real estate sector. It is said to have a presence in both commercial and residential real estate development.

6. Parties submitted that the Proposed Combination is essentially a merger between the real estate portfolios of the Embassy Group and IBREL, and market shares of the Blackstone group and EOP REIT should not be aggregated while performing the competition assessment. This is on the basis that assets of Blackstone group and EOP REIT are not getting transferred to the resultant entity and the Proposed Combination will not change the position of the Blackstone group and EOP REIT in the current competitive landscape in the relevant market.

7. With regard to Blackstone group, the Commission observed that, as part of the Proposed Combination, the Blackstone group would have more than 10% shareholding, right of representation on the board of directors, affirmative voting rights and information rights in resultant entity. Blackstone group, through participation in board process, having affirmative voting right and information right, will be having significant influence over the resultant entity. Thus, irrespective of whether assets of the Blackstone group are being transferred to the resultant entities or not, it is imperative that Blackstone group is also included in the competition assessment of the Proposed Combination.

8. With regard to EOP REIT, the Commission observed that the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 (**REIT Regulations**) *inter alia* provides that the manager shall undertake management of the REIT assets including lease management. Further, parties themselves acknowledged that day-to-day management of the EOP REIT is undertaken by the Manager without consulting the unitholders. Primarily, the manager is

responsible for the operation and management of a REIT. In view of the role of a manager of a REIT, one cannot claim that the manager would not be in a position to influence the configuration of supplies by a REIT. Thus, a manager of a REIT is likely to have the ability to significantly influence the policies and practices relating to lease of assets of a REIT. Therefore, for competition assessment of a combination involving the manager of a REIT or person(s) controlling the manager of REIT, supplies of REIT are also to be attributed to the manager and thus ought to be included in overlap identification and competition assessment. In the instant matter, it is observed that Embassy Office Parks Management Services Private Limited (**EOPMSPL** / **Manager**) is the manager of EOP REIT. Significant share capital of the Manager is held by EPDPL and its remaining share capital is held by entities forming part of the Blackstone group. Further, from the annual report of EOP REIT for FY 2019-20, it is observed that: (i) Blackstone group and Embassy group together hold more than 70 % of units of EOP REIT, (ii) Mr. Jitendra Virwani[3] and Mr. Aditya Virwani are directors on the board of the Manager and (iii) Mr. Jitendra Virwani is member of Nomination and Remuneration Committee, Investment Committee, Risk Management Committee and Audit Committee of Manager. Thus, the Proposed Combination deserves overlap assessment considering EOP REIT.

9. From the Notice bearing Combination Registration No. C-2020/11/785 given under Section 6 (2) of the Act, it is observed that, Blackstone group envisages acquisition of certain real estate business(es) of Prestige group (**Blackstone - Prestige Acquisition**). Details relevant for competition assessment relating to Blackstone - Prestige Acquisition were not furnished in the Notice. Parties have alluded for exclusion of Blackstone - Prestige Acquisition from competition assessment of the Proposed Combination. This is largely on the basis that Blackstone - Prestige Acquisition is yet to be consummated. In this regard, it is observed that competition assessment of a merger is *ex-ante* forward looking exercise. Thus, if parties to a merger envisages a transaction[4] that is likely to change market position of parties during the forward period considered for competition assessment, it is imperative to consider the impact of that transaction

[3] Promoter of Embassy Group and Promoter of resultant entity, post the Proposed Combination

[4] Unless it is too speculative

into competition assessment of the merger. Therefore, the Proposed Combination deserves competition assessment considering Blackstone - Prestige Acquisition.

10. The Proposed Combination exhibits horizontal overlap in the segments of both commercial real estate (**CRE**) and residential real estate (**RRE**). CRE may be sub-segmented into retail space, office space in SEZ, office space in non-SEZ, warehouse space, *etc.* Similarly, RRE may be sub-segmented into apartments, villas, plots, *etc*. However, in the instant matter, the Commission decided to leave the precise delineation of the relevant market open as it was observed that the Proposed Combination is not likely to cause an appreciable adverse effect on competition in any of the plausible alternative relevant markets.

*Commercial Real Estate and its Sub-segments:* IBREL does not have any CRE project in Bangalore. Embassy Group, Blackstone group (including Blackstone - Prestige Acquisition) and EOP REIT have presence in CRE segment, particularly office space, in Bangalore. Market share of Embassy Group, Blackstone group (including Blackstone - Prestige Acquisition) and EOP REIT put together in office space sub-segment in Bangalore is in the range of 20-25%. However, Proposed Combination does not envisage any transaction which may result into any new horizontal overlap in CRE segment in Bangalore, if planned CRE projects are not considered. However, as part of the Proposed Combination, Embassy Group proposes to transfer five planned office space CRE projects to resultant entity. The volume proposed to be developed under these five projects in medium term is not significant. Considering the overall presence of the parties and the incremental market shares resulting from the Proposed Combination, it appears that the same is not likely to raise competition concern. Based on the Combined as well as incremental market shares, it appears that the Proposed Combination is also not likely to raise competition concern in other overlapping cities, *i.e.* Mumbai Metropolitan Region and National Capital Region.

11. *Residential Real Estate and its Sub-segments:* Based on the combined as well as incremental market shares, it appears that the Proposed Combination is not likely to raise competition concern in overlapping cities, *i.e.* Bangalore and MMR. Further, planned projects are

also not significant to raise competition concern.

12. Considering the facts on record including details provided in the Notice given under Section 6(2) of the Act and assessment of the Proposed Combination based on the factors stated in Section 20(4) of the Act, the Commission is of the opinion that the Proposed Combination is not likely to have any appreciable adverse effect on competition in India in any of the relevant market(s) and therefore, the Commission hereby approves the same under Section 31(1) of the Act.

13. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.

14. The information provided by the Acquirer is confidential at this stage in terms of and subject to the provisions of Section 57 of the Act.

15. The Secretary is directed to communicate to the Acquirer accordingly.

EMBASSY GROUP

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF NAM ESTATES PRIVATE LIMITED ("NEPL" OR "COMPANY") EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO AT ITS MEETING HELD ON MAY 22, 2021**

## 1. Background

1.1. The Scheme of Amalgamation between NAM Estates Private Limited ("NEPL") and Embassy One Commercial Property Developments Private Limited ("EOCDPL") and Indiabulls Real Estate Limited ("IBREL") and their respective shareholders and creditors ("the Scheme") in connection with the amalgamation of NEPL and EOCDPL with IBREL under the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Act") was approved by the Board of Directors at its meeting held on August 18, 2020 and the revisions to the Scheme was approved in the meeting held on May 22, 2021.

1.2. The provisions of Section 232(2)(c) of the Act requires the Board to adopt a report explaining the effect of the arrangement pursuant to the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to set out in particular, the share exchange ratio, specifying any special valuation difficulties, if any and the same is required to be circulated to the equity shareholders at the time of seeking their approval to the Scheme as may be directed by the National Company Law Tribunal.

1.3. This Report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

1.4. The following documents were placed before the Board:

a) The draft of the proposed Scheme approved by the Board pursuant to its resolution dated May 22, 2021;

b) The valuation report dated August 18, 2020 issued by Niranjan Kumar, an independent registered valuer for the purpose of arriving at the Share Exchange Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of Amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation;

c) The valuation report dated August 18, 2020 issued by BDO Valuation Advisory LLP, an independent registered valuer for the purpose of arriving at the Share Swap Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of Amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation;

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d) The valuation report dated August 18, 2020 issued by NS Kumar & Co, an independent Chartered Accountant for the purpose of arriving at the Share Exchange Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation; and

e) The fairness opinion dated August 18, 2020 issued by o3 Capital Global Advisory Private Limited, a SEBI registered Category I Merchant Banker, providing the fairness opinion on the share exchange ratio recommended by the valuers.

1.5. The Board noted the rationale for the Scheme, as set forth in detail in the Scheme, and is therefore, not reiterated in this Report.

**2. Effect of the Scheme in terms of Section 232(2)(c) of the Act**

2.1. Effect of the Scheme on the Promoter and Non-Promoter Shareholders

2.1.1. The Scheme provides for the following:

a) amalgamation of NEPL with and into IBREL;

b) amalgamation of EOCDPL with and into IBREL; and

c) various others matters consequentially and integrally connected to the Scheme.

2.1.2. As consideration for amalgamation of NEPL and EOCDPL with and into IBREL, IBREL shall, without any further act or deed and without any further payment, basis the following exchange ratio, issue and allot shares to the shareholders of NEPL and EOCDPL respectively:

**Amalgamation of NEPL with IBREL:**
*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*

**Amalgamation of EOCDPL with IBREL:**
*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*

2.1.3. The share exchange ratio is based on the valuation reports and the valuation reports have been duly considered by the Board which has come to the conclusion that the share exchange ratio provided in the Scheme is fair and reasonable.

2.1.4. The equity shares issued by IBREL to the shareholders of NEPL and EOCDPL, pursuant to the Scheme, will be listed on BSE Limited and the National Stock Exchange of India Limited.

2.1.5. Upon the amalgamation of NEPL and EOCDPL into and with IBREL, NEPL and EOCDPL shall stand dissolved without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

2.2. Effect of the Scheme on the Directors and Key Managerial Personnel

Upon Part III of the Scheme coming into effect, NEPL shall, without any further act or deed, stand dissolved without being wound up. In these circumstances, the directors and key managerial personnel of NEPL will cease to be the directors and key managerial personnel of NEPL respectively.

2.3. Effect of the Scheme on Creditors

Upon amalgamation of NEPL with and into IBREL coming into effect, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including contingent / potential tax liabilities of NEPL shall, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of IBREL.

Under the Scheme, there is no compromise or arrangement with the creditors of NEPL. Upon Part III of the Scheme coming into effect, the creditors of NEPL shall become the creditors of IBREL. The liability of NEPL towards its creditors is neither being extinguished or reduced under the Scheme.

2.4. Effect of the Scheme on the Depositors / Deposit Trustee

As on date, the Company does not have any outstanding public deposits and therefore, the question of the Scheme having any effect on such depositors and deposit trustee does not arise.

2.5. Effect of the Scheme on the Debenture holders / Debenture Trustee

Currently, the Non-Convertible Debentures ("NCDs") issued by the Company are listed on BSE Limited. The rights of the debenture holders shall not be affected by the amalgamation of NEPL into and with IBREL, pursuant to the Scheme. Consequent upon the amalgamation of NEPL into and with IBREL, and subject to regulatory approval if any, all the listed NCDs of NEPL shall vest in IBREL on same terms and conditions, as if it were the issuer of the NCDs. Subject to the requirements, if any, by BSE Limited, the NCDs which stand transferred to IBREL pursuant to the Scheme shall be listed and / or admitted to trading on the BSE Limited, where the NCDs are currently listed.

2.6. Effect of the Scheme on the employees of the Company

Upon the amalgamation of NEPL into and with IBREL coming into effect, all employees of NEPL shall be deemed to have become the employees of IBREL, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as applicable to them with reference to NEPL, on the Effective Date 1. The services of such employees with NEPL up to the Effective Date 1 shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of employees' provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees. In these circumstances, the rights of the employees of NEPL would in no way be affected by the Scheme.

2.7. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel of the Company

The directors and key managerial personnel of NEPL may be deemed to be concerned / interested in the Scheme only to the extent of their shareholding in the companies forming part of the Scheme and / or to the extent the directors are common directors in the said companies and / or to the extent the said directors or key managerial personnel are partners, directors, members of the companies, firms, association of persons, body corporate and / or beneficiary of trust, who hold shares in any of the said companies.

3. No special valuation difficulties were reported in determination of Share Exchange Ratio by the Valuers.

**4. Conclusion:**

While deliberating the Scheme, the Board considered its impact on each of the shareholders, promoters and non-promoter shareholders, key managerial personnel, creditors and employees. The Scheme is in the best interest of the promoters and non-promoter shareholders, key managerial personnel, creditors and employees and no prejudice is caused to them in any manner by the Scheme.

**// CERTIFIED TRUE COPY **
*For* **NAM ESTATES PRIVATE LIMITED**

**R.R. Ramakrishnan**
**Director**
**DIN: 00055416**
**Place: Bengaluru**

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**EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED**
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**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED ("EOCDPL" OR "COMPANY") EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO AT ITS MEETING HELD ON MAY 22, 2021**

## 1. Background

1.1. The Scheme of Amalgamation between NAM Estates Private Limited ("NEPL") and Embassy One Commercial Property Developments Private Limited ("EOCDPL") and Indiabulls Real Estate Limited ("IBREL") and their respective shareholders and creditors ("the Scheme") in connection with the amalgamation of NEPL and EOCDPL with IBREL under the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Act") was approved by the Board of Directors at its meeting held on August 18, 2020 and the revisions to the Scheme was approved in the meeting held on May 22, 2021.

1.2. The provisions of Section 232(2)(c) of the Act requires the Board to adopt a report explaining the effect of the arrangement pursuant to the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to set out in particular, the share exchange ratio, specifying any special valuation difficulties, if any and the same is required to be circulated to the equity shareholders at the time of seeking their approval to the Scheme as may be directed by the National Company Law Tribunal.

1.3. This Report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

1.4. The following documents were placed before the Board:

a) The draft of the proposed Scheme approved by the Board pursuant to its resolution dated May 22, 2021;

b) The valuation report dated August 18, 2020 issued by Niranjan Kumar, an independent registered valuer for the purpose of arriving at the Share Exchange Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of Amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation;

c) The valuation report dated August 18, 2020 issued by BDO Valuation Advisory LLP, an independent registered valuer for the purpose of arriving at the Share Swap Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of Amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation;

d) The valuation report dated August 18, 2020 issued by NS Kumar & Co, an independent Chartered Accountant for the purpose of arriving at the Share Exchange Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation; and

e) The fairness opinion dated August 18, 2020 issued by o3 Capital Global Advisory Private Limited, a SEBI registered Category I Merchant Banker, providing the fairness opinion on the share exchange ratio recommended by the valuers.

1.5. The Board noted the rationale for the Scheme, as set forth in detail in the Scheme, and is therefore, not reiterated in this Report.

**2. Effect of the Scheme in terms of Section 232(2)(c) of the Act**

2.1. <u>Effect of the Scheme on the Promoter and Non-Promoter Shareholders</u>

2.1.1. The Scheme provides for the following:

a) amalgamation of NEPL with and into IBREL;

b) amalgamation of EOCDPL with and into IBREL; and

c) various others matters consequentially and integrally connected to the Scheme.

2.1.2. As consideration for amalgamation of NEPL and EOCDPL with and into IBREL, IBREL shall, without any further act or deed and without any further payment, basis the following exchange ratio, issue and allot shares to the shareholders of NEPL and EOCDPL respectively:

**Amalgamation of NEPL with IBREL:**
*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*

**Amalgamation of EOCDPL with IBREL:**
*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*

2.1.3. The share exchange ratio is based on the valuation reports and the valuation reports have been duly considered by the Board which has come to the conclusion that the share exchange ratio provided in the Scheme is fair and reasonable.

2.1.4. The equity shares issued by IBREL to the shareholders of NEPL and EOCDPL, pursuant to the Scheme, will be listed on BSE Limited and the National Stock Exchange of India Limited.

2.1.5. Upon the amalgamation of NEPL and EOCDPL into and with IBREL, NEPL and EOCDPL shall stand dissolved without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

2.2. Effect of the Scheme on the Directors and Key Managerial Personnel

Upon Part IV of the Scheme coming into effect, EOCDPL shall, without any further act or deed, stand dissolved without being wound up. In these circumstances, the directors and key managerial personnel of EOCDPL will cease to be the directors and key managerial personnel of EOCDPL respectively.

2.3. Effect of the Scheme on Creditors

Upon amalgamation of EOCDPL with and into IBREL coming into effect, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including contingent / potential tax liabilities of EOCDPL shall, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of IBREL.

Under the Scheme, there is no compromise or arrangement with the creditors of EOCDPL. Upon Part IV of the Scheme coming into effect, the creditors of EOCDPL shall become the creditors of IBREL. The liability of EOCDPL towards its creditors is neither being extinguished or reduced under the Scheme.

2.4. Effect of the Scheme on the Depositors / Deposit Trustee

As on date, the Company does not have any outstanding public deposits and therefore, the question of the Scheme having any effect on such depositors and deposit trustee does not arise.

2.5. Effect of the Scheme on the Debenture holders / Debenture Trustee

As on date, the Company does not have any outstanding debentures and therefore, the question of the Scheme having any effect on such debenture holders and debenture trustee does not arise.

2.6. Effect of the Scheme on the employees of the Company

Upon the amalgamation of EOCDPL into and with IBREL coming into effect, all employees of EOCDPL shall be deemed to have become the employees of IBREL, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as applicable to them with reference to EOCDPL, on the Effective Date 2. The services of such employees with EOCDPL up to the Effective Date 2 shall be taken into account for the purposes

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of all benefits to which the said employees may be eligible, including for the purpose of payment of employees’ provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees. In these circumstances, the rights of the employees of EOCDPL would in no way be affected by the Scheme.

2.7. <u>Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel of the Company</u>

The directors and key managerial personnel of EOCDPL may be deemed to be concerned / interested in the Scheme only to the extent of their shareholding in the companies forming part of the Scheme and / or to the extent the directors are common directors in the said companies and / or to the extent the said directors or key managerial personnel are partners, directors, members of the companies, firms, association of persons, body corporate and / or beneficiary of trust, who hold shares in any of the said companies.

3. No special valuation difficulties were reported in determination of Share Exchange Ratio by the Valuers.

**4. Conclusion:**

While deliberating the Scheme, the Board considered its impact on each of the shareholders, promoters and non-promoter shareholders, key managerial personnel, creditors and employees. The Scheme is in the best interest of the promoters and non-promoter shareholders, key managerial personnel, creditors and employees and no prejudice is caused to them in any manner by the Scheme.

**// CERTIFIED TRUE COPY **
*For* **EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED**

Shaina Ganapathy
Director
DIN: 01777973
Place: Bengaluru

**<u>REPORT ADOPTED BY THE DIRECTORS OF INDIABULLS REAL ESTATE LIMITED IN ITS MEETING HELD ON AUGUST 18, 2020</u>**

## 1. <u>Background</u>

The Board of Directors of Indiabulls Real Estate Limited ("the Company"), upon consideration of recommendation of its Audit Committee, had approved a composite Scheme of Amalgamation amongst NAM Estates Private Limited ('**Amalgamating Company 1**'/ **'NEPL'**), Embassy One Commercial Property Developments Private Limited ('**Amalgamating Company 2**'/ **'EOCDPL'**) (collectively referred to as '**Amalgamating Companies**') and Indiabulls Real Estate Limited ('**Applicant/Amalgamated Company/Transferee Company**'/**'IBREL'**) and their respective Shareholders and Creditors under Sections 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "**Act**"), and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"Scheme"**) at its meeting held on August 18, 2020.

As per the provisions of Section 232 of the Companies Act, 2013, the directors are required to adopt a report explaining the effect of Scheme on equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties, and the same is required to be circulated along with notice of meeting to shareholders and creditors.

This report, in connection with the Scheme, has been accordingly adopted by the Board of Directors of the Company in order to comply with the requirements of the Section 232 of the Companies Act, 2013 after considering the following:

a. Draft Scheme;

b. The valuation report dated August 18, 2020 issued by Niranjan Kumar, an independent registered valuer for the purpose of arriving at the Share Exchange Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of Amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation; and

c. The valuation report dated August 18, 2020 issued by BDO Valuation Advisory LLP, an independent registered valuer for the purpose of arriving at the Share Swap Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of Amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation.

d. The valuation report dated August 18, 2020 issued by NS Kumar & Co, an independent Chartered Accountant for the purpose of arriving at the Share Exchange Ratio, describing inter alia the methodology adopted by them in arriving at the same for the proposed Scheme of amalgamation, and the workings and calculations for the valuation derived in the valuation report, as well as the methods used for such valuation.

e. The fairness opinion dated August 18, 2020 issued by o3 Capital Global Advisory Private Limited, a SEBI registered Category I Merchant Banker, providing the fairness opinion on the share exchange ratio recommended by the valuers.

## 2. Proposed Scheme

The Salient features of the draft Scheme are as under:

(a) The Scheme envisages the amalgamation of the Amalgamating Company 1 with the Amalgamated Company. From the Appointed Date 1 (as defined in the Scheme) the Amalgamating Company 1 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein. Thereafter, the Scheme envisages the amalgamation of the Amalgamating Company 2 with the Amalgamated Company and with effect from the Appointed Date 2 (as defined in the Scheme), the Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.

(b) The proposed amalgamation under the Scheme will achieve the following:

i. ensuring that that the Amalgamated Company has a pan India presence across key markets and has diversification across real estate asset classes (commercial and residential);

ii. enabling consolidation of the business and operations of the Amalgamating Companies and the Amalgamated Company providing impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies and enable optimal utilization of various resources as a result of pooling of financial, managerial, technical and human resources, thereby creating a stronger base for future growth and accretion of shareholder value;

iii. rationalising and streamlining the management structure of the consolidated business operations and pooling of human talent in terms of manpower, administration and marketing which will result in savings in the operation costs and optimum utilization of assets;

iv. greater efficiency in 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 and greater opportunities to secure investments from a new set of financial investors and will enhance the Amalgamated Company's ability to raise further capital from the financial markets;

v. enabling the Amalgamated Company to provide better services and facilities to its customers and suppliers; and

vi. enhancing the shareholder's value accruing from consolidation of business operations resulting in economies of scale, improving allocation of capital and optimizing cash flows, thus, contributing to the overall growth prospects of the Amalgamated Company.

(c) The Scheme provides that upon the same becoming effective and with effect from the Appointed Date(s), all the assets and liabilities (including certain assets which may not be with the Amalgamating Companies as of date and which will be brought into the Amalgamating Companies on or before the Scheme becoming effective) and entire business of the Amalgamating Companies shall stand transferred to and vested in the Amalgamated Company. It is further provided in the Scheme that upon the same becoming effective and with effect from the Appointed Date(s):

i. all immovable properties of the Amalgamating Companies shall be vested in the Amalgamated Company;

ii. all the assets of the Amalgamating Companies as are movable in nature or are otherwise capable of being transferred by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recording, including without limitation equipment, furniture and fixtures, shall stand vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company;

iii. all debts, borrowings, liabilities, contingent liabilities, duties and obligations, secured or unsecured, relating to the Amalgamating Companies, including without limitation all liabilities owed by the Amalgamating Companies whether provided for or not in the books of accounts or disclosed in the balance sheet, shall stand transferred to and vested in the Amalgamated Company;

iv. all contracts, agreements, arrangements etc. for the purpose of carrying on the business of the Amalgamating Companies shall be and remaining in full force and effect on, against or in favour of the Amalgamated Company;
v. all legal proceedings relating to the Amalgamating Companies shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been prosecuted by or against the Amalgamating Companies; and
vi. all employees who are on the payroll of the Amalgamating Companies shall become the employees of the Amalgamated Company on terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamated Company.

(d) Upon the coming into effect of Part III of the Scheme, and in consideration of the amalgamation of the Amalgamating Company 1 with the Amalgamated Company pursuant to Part III of the Scheme, the Amalgamated Company/Applicant shall, without any further act or deed and without any further payment, basis the Share Exchange Report, issue and allot to the shareholders of Amalgamating Company 1 (whose name is recorded in the register of members of the Amalgamating Company 1 as holding equity shares on the Record Date 1 as determined in the Scheme) such number of equity shares in the Amalgamated Company in the following manner, each free and clear of all encumbrances, validly issued and fully paid-up:

"*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*"

(e) Upon the coming into effect of Part IV of the Scheme, and in consideration of the amalgamation of the Amalgamating Company 2 with the Amalgamated Company pursuant to Part IV of the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Exchange Report, issue and allot to the shareholders of Amalgamating Company 2 (whose name is recorded in the register of members of the Amalgamating Company 2 as holding equity shares on the Record Date 2 as determined in the Scheme) such number of equity shares in the Amalgamated Company in the following manner, each free and clear of all encumbrances, validly issued and fully paid-up:

"*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*"

(f) The Scheme provides that the Applicant and the Amalgamating Companies will be accounted for in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combinations) as notified under Section 133 of the 2013 Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

## 3. Effect of the Scheme

The effect of the proposed Scheme on the stakeholders of the Amalgamated Company/ Transferee Company would be as follows:

(a) Shareholders (including promoter and non-promoter)

The shareholding of the existing shareholders of the Amalgamated Company/Transferee Company will be diluted to the extent shares would be allotted in the Amalgamated Company upon effectiveness of Scheme, to the shareholders of the Amalgamating Company 1 and Amalgamating Company 2 respectively, in the following ratios:

(i) As consideration for amalgamation of Amalgamating Company 1 and Amalgamating Company 2 with and into Amalgamated Company, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the following exchange ratio, issue and allot shares to the shareholders of Amalgamating Company 1 and Amalgamating Company 2 respectively:

**Amalgamation of Amalgamating Company 1 with Amalgamated Company:**

*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*

**Amalgamation of Amalgamating Company 2 with Amalgamated Company:**

*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*

(ii) Upon the amalgamation of Amalgamating Companies with the Amalgamated Company, Amalgamating Companies shall stand dissolved without following the procedure of winding up prescribed under The Insolvency and Bankruptcy Code, 2016, as may be applicable.

(iii) the promoters of the Amalgamating Company 1 as of the Record Date 1 (including the Embassy Swap Shareholder, and/or any the NAM Promoters pursuant to Clause 5.5 of the Scheme) shall, together with the IBREL Promoters, shall also be classified as ‘promoter and promoter group’ of the Amalgamated Company (as defined under the ICDR), provided that, if the shareholding of the IBREL Promoters in the Amalgamated Company falls to or below 10% (Ten percent) at any time including pursuant to the effectiveness of the Scheme, the IBREL Promoters and the Amalgamated Company shall take appropriate steps to reclassify the IBREL Promoters as ‘public shareholders’ in accordance with Applicable Law.

(b) Creditors

Upon amalgamation of the Amalgamating Companies with the Amalgamated Company, no rights of the existing creditors of the Amalgamated Company are being affected pursuant to the Scheme. The liability towards the existing creditors of the Amalgamated Company is neither being reduced nor being extinguished in any manner.

Upon amalgamation of Amalgamating Companies with the Amalgamated Company, and Part III & IV of the Scheme coming into effect, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including contingent / potential tax liabilities of Amalgamating Companies shall, without any further act or deed, become the debts, liabilities, contingent liabilities, duties and obligations of Amalgamated Company. Under the Scheme, there is no compromise or arrangement with the creditors of Amalgamating Companies. The liability of Amalgamating Companies towards their respective creditors is neither being extinguished nor reduced under the Scheme.

(c) Depositors / Deposit Trustee

As on date, the Company does not have any outstanding public deposits and therefore, the question of the Scheme having any effect on such depositors and deposit trustee does not arise.

(d) Debenture holders / Debenture Trustee

Currently, the Non-Convertible Debentures ("NCDs") issued by the Amalgamated Company are listed on BSE Limited. The rights of the debenture holders shall not be affected by the amalgamation of Amalgamating Companies with the Amalgamated Company, pursuant to the Scheme.

Consequent upon the amalgamation of Amalgamating Companies into and with Amalgamated Company, subject to regulatory approval, if any, the NCDs of Amalgamating Companies, if any, shall vest in Amalgamated Company on same terms and conditions, as if it were the issuer of the NCDs. In the event, NCDs of Amalgamating Companies are listed at stock exchange(s), subject to the requirements and approval(s), if any, of stock exchange(s), the NCDs, which stand transferred to Amalgamated Company, pursuant to the Scheme, shall be listed and / or admitted to trading on same stock exchange(s).

(e) Employees, Directors and Key Managerial Personnel

There will be no adverse effect of the Scheme on the Employees, Key Managerial Personnel and/or the Directors of the Amalgamated Company. The directors and key managerial personnel of the Amalgamated Company may be deemed to be concerned / interested in the Scheme only to the extent of their shareholding in the Amalgamated Company.

Upon the amalgamation of Amalgamating Companies with the Amalgamated Company coming into effect, all employees of Amalgamating Companies shall be deemed to have become the employees of Amalgamated Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as applicable to them with reference to Amalgamating Company 1 & Amalgamating Company 2, on the Effective Date(s) 1 & 2 respectively. The services of such employees with Amalgamating Companies up to the Effective Date(s) 1 & 2 respectively, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of employees' provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of such employees. In these circumstances, the rights of the employees of Amalgamating Companies would in no way be affected by the Scheme. Upon Part III & IV of the Scheme coming into effect, Amalgamating Companies shall, without any further act or deed, stand dissolved respectively without being wound up. In these circumstances, the directors and key managerial personnel of Amalgamating Companies will cease to be the directors and key managerial personnel of Amalgamating Companies respectively.

## 4. Share Exchange Ratio and Valuation difficulties

As consideration for amalgamation of Amalgamating Company 1 and Amalgamating Company 2 with and into Amalgamated Company, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the following exchange ratio, issue and allot shares to the shareholders of Amalgamating Company 1 and Amalgamating Company 2 respectively:

**Amalgamation of Amalgamating Company 1 with Amalgamated Company:**

*6,619 (Six Thousand Six Hundred Nineteen) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 1 of INR 10 (Indian Rupees Ten) each.*

**Amalgamation of Amalgamating Company 2 with Amalgamated Company:**

*5,406 (Five Thousand Four Hundred Six) equity share(s) of the Amalgamated Company of INR 2 (Indian Rupees Two) each for every 10,000 (Ten Thousand) equity share(s) held in the Amalgamating Company 2 of INR 10 (Indian Rupees Ten) each.*

No special valuation difficulties were reported in determination of Share Exchange Ratio by the Valuers.

The directors and key managerial personnel of IBREL may be deemed to be concerned / interested in the Scheme only to the extent of their shareholding in the companies forming part of the Scheme and / or to the extent the directors are common directors in the said companies and / or to the extent the said directors or key managerial personnel are partners, directors, members of the companies, firms, association of persons, body corporate and / or beneficiary of trust, who hold shares in any of the said companies.

**On behalf of the Board**
For **Indiabulls Real Estate Limited**

Sd/-
Gurbans Singh
**Jt. Managing Director**
(DIN: 06667127)

Date: August 18, 2020
Place: Gurugram

Indiabulls
**REAL ESTATE**

December 14, 2020

To,
The General Manager,
Department of Corporate Services,
**BSE Limited,**
P.J. Towers, Dalal Street,
Mumbai - 400 001.

Dear Sir,

**Sub: Application for obtaining approval under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the Scheme of Amalgamation amongst NAM Estates Private Limited ("Amalgamating Company 1"), Embassy One Commercial Property Developments Private Limited ("Amalgamating Company 2"), Indiabulls Real Estate Limited ("the Company" or "Amalgamated Company") and their respective shareholders and creditors ("Scheme of Amalgamation") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as amended.**

**Re: Complaints Report**

With reference to the Application No. 120497 filed with BSE Limited (BSE) on 12th November, 2020, seeking "No Objection Letter" for the captioned Scheme of Amalgamation, and with reference to the documents uploaded on website of BSE on 18th November, 2020, we hereby submit the Complaints Report in the prescribed format.

**COMPLAINTS REPORT**

(For the period from November 18, 2020 to December 8, 2020)

**PART A**

| S. No. | Particulars | Number |
|---|---|---|
| 1 | Number of complaints received directly | Nil |
| 2 | Number of complaints forwarded by Stock Exchanges/SEBI | Nil |
| 3 | Total number of complaints/comments received (1+2) | Nil |
| 4 | Number of complaints resolved | Nil |
| 5 | Number of complaints pending | Nil |

**PART B**

| S. No. | Particulars | Date of Complaint | Status (Resolved/Pending) |
|---|---|---|---|
| NOT APPLICABLE | | | |

For **Indiabulls Real Estate Limited**

Indiabulls Real Estate Limited

Ravi Telkar
*Company Secretary*

**Indiabulls Real Estate Limited**
CIN : L45101DL2006PLC148314
**Corporate Office:** "Indiabulls House" 448-451, Udyog Vihar, Phase V, Gurugram - 122016. Tel.: (0124) 3989555 Fax: (0124) 6681111 4479
**Registered Office:** M-62 & 63, First Floor, Connaught Place, New Delhi - 110001. Tel.: (011) 30252900, Fax: (011) 30252901
Email : helpdesk@indiabulls.com Website: http://www.indiabullsrealestate.com/

**Indiabulls**
**REAL ESTATE**

February 04, 2021

To,
Manager - Listing Compliance
**National Stock Exchange of India Limited**
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.

Dear Sir,

**Sub: Application for obtaining approval under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the Scheme of Amalgamation amongst NAM Estates Private Limited ("Amalgamating Company 1"), Embassy One Commercial Property Developments Private Limited ("Amalgamating Company 2"), Indiabulls Real Estate Limited ("the Company" or "Amalgamated Company") and their respective shareholders and creditors ("Scheme of Amalgamation") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as amended.**

**Re: Complaints Report**

With reference to the Application No. 25279 filed with National Stock Exchange of India Limited (NSE) on 13th November, 2020, seeking "No Objection Letter" for the captioned Scheme of Amalgamation, and with reference to the documents uploaded on website of NSE on 13th January, 2021, we hereby submit the Complaints Report in the prescribed format.

**COMPLAINTS REPORT**

(For the period from January 14, 2021 to February 03, 2021)

**PART A**

| S. No. | Particulars | Number |
|---|---|---|
| 1 | Number of complaints received directly | Nil |
| 2 | Number of complaints forwarded by Stock Exchanges/SEBI | Nil |
| 3 | Total number of complaints/comments received (1+2) | Nil |
| 4 | Number of complaints resolved | Nil |
| 5 | Number of complaints pending | Nil |

**PART B**

| S. No. | Particulars | Date of Complaint | Status (Resolved/Pending) |
|---|---|---|---|
| NOT APPLICABLE | | | |

For **Indiabulls Real Estate Limited**

Real Estate Indiabulls Limited

Ravi Telkar
*Company Secretary*

**Indiabulls Real Estate Limited**
CIN : L45101DL2006PLC148314
Corporate Office: "Indiabulls House" 448-451, Udyog Vihar, Phase V, Gurugram - 122016. Tel.: (0124) 3989555 Fax: (0124) 6681111
Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi - 110001. Tel.: (011) 30252900, Fax: (011) 30252901
Email : helpdesk@indiabulls.com Website: http://www.indiabullsrealestate.com/

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# NSVM & ASSOCIATES
## CHARTERED ACCOUNTANTS

**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 286 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
Digitally signed by D N SREE HARI
Date: 2021.07.27 15:57:34 +05'30'

**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 it's 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
Digitally signed by D N SREE HARI
Date: 2021.07.27 15:44:30 +05'30'

**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 31 March 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 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
Digitally signed by D N SREE HARI
Date: 2021.07.27 15:45:18 +05'30'

**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 |
| Other current liabilities | 26 | 34,04,957.28 | 37,01,303.62 |
| Provisions | 27 | 1,985.30 | - |
| **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

D N SREE HARI Digitally signed by D N SREE HARI Date: 2021.07.27 15:46:48 +05'30'

**D N Sree Hari**
Partner
Membership No. 027388

Place: Bengaluru
Date: 27th July 2021

*for and on behalf of the Board of Directors of*
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Date: 2021.07.27 15:03:15 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru
Date: 27th July 2021

RAJESH RAMCHAND BAJAJ Digitally signed by RAJESH RAMCHAND BAJAJ Date: 2021.07.27 15:05:52 +05'30'

**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

**for N S V M & Associates**
Chartered Accountants
Firm registration number: 010072S

D N SREE HARI Digitally signed by D N SREE HARI Date: 2021.07.27 15:48:59 +05'30'

**D N Sree Hari**
Partner
Membership No. 027388

Place: Bengaluru
Date: 27th July 2021

*for and on behalf of the Board of Directors of*
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Date: 2021.07.27 15:03:54 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru
Date: 27th July 2021

RAJESH RAMCHAND BAJAJ Digitally signed by RAJESH RAMCHAND BAJAJ Date: 2021.07.27 15:06:07 +05'30'

**Rajesh Bajaj**
Director
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

D N SREE HARI
Digitally signed by D N SREE HARI
Date: 2021.07.27 15:50:52 +05'30'

**D N Sree Hari**
Partner
Membership No. 027388

Place: Bengaluru
Date: 27th July 2021

*for and on behalf of the Board of Directors of*
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN
Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN
Date: 2021.07.27 15:04:07 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru
Date: 27th July 2021

RAJESH RAMCHAND BAJAJ
Digitally signed by RAJESH RAMCHAND BAJAJ
Date: 2021.07.27 15:06:22 +05'30'

**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

D N SREE HARI Digitally signed by D N SREE HARI Date: 2021.07.27 15:52:47 +05'30'

**D N Sree Hari**
Partner
Membership No. 027388

Place: Bengaluru
Date: 27th July 2021

*for and on behalf of the Board of Directors of*
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Date: 2021.07.27 15:04:21 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru
Date: 27th July 2021

RAJESH RAMCHAND BAJAJ Digitally signed by RAJESH RAMCHAND BAJAJ Date: 2021.07.27 15:06:39 +05'30'

**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

**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 date 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.

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 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:

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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**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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## 5 Investment property

**Reconciliation of carrying amount for the year ended 31 March 2021 and 31 March 2020**

| **Particulars** | **Freehold land** | **Total** |
|---|---|---|
| **<u>Gross Block</u>** | | |
| **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(refer note 1 below) | - | - |
| **Balance as at 31 March 2021** | **1,61,876.77** | **1,61,876.77** |
| **<u>Accumulated depreciation</u>** | | |
| **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) <u>Amounts Recognised in Statement of Profit and Loss for Investment Property :</u>**

| **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)** |

**(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 has used "Direct Comparison" method approach for assessing the fair value of the property 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 .

(This space has been left blank intentionally)

**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 | Nos., | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|---|---|
| **Unquoted** | | | | |
| **Investments in equity instruments;** | | | | |
| **- in subsidiaries *:** | | | | |
| Embassy Infra Developers Private Limited | 10.00 | 9,999 | 99.99 | - |
| Embassy Orange Developers Private Limited | 10.00 | 9,999 | 99.99 | - |
| Embassy Realty Ventures Private Limited** | 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 | | | 20,348.48 | - |
| Aggregate amount of impairment in value of investments | | | - | - |
| | | | | |
| Investment carried at cost | | | 20,348.48 | - |
| Investment carried at amortised cost | | | - | - |
| Investment carried at Fair value through Other Comprehensive Income | | | - | - |
| Investment carried at Fair value through Profit & Loss a/c | | | - | - |

**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 |

*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 3.17)

** 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 |
|---|---|---|
| **Advances other than capital advances:** | | |
| 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)

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**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 (refer note 43) | 13,72,635.92 | - |
| Loans to employees | 4,497.15 | - |
| | **13,77,133.07** | **-** |

**15 Other financial assets**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| **Unsecured, considered good** | | |
| Interest accrued on | | |
| on Intercorporate deposits | 77,039.41 | - |
| Recoeverable advance to employees | 2,091.83 | - |
| Other receivable from related parties (Refer note no.42) | 1,000.00 | 4,83,139.24 |
| | **80,131.24** | **4,83,139.24** |

**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)**

(This space has been left blank intentionally)

**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:On accout of adoption of IND AS 115 | - | - |
| 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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**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)) | 38,120.74 | - |
| | **28,21,850.74** | **-** |

**(i) 0 % unsecureedully 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.

**(in ₹. thousands, except number of debentures)**

| Name of debenture holder | 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) HDFC vehicle loans - amounting to: ₹ 1,635.13 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.

**Kotak Mahindra vehicle loans - amounting to: ₹ 3,002.19 thousands (31 March 2020: nil ) - including current maturities of non-current borrowi**
(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: ₹ 349,994.69 thousands (31 March 2020: ₹. 61,00,000.00 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

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 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% | 58,70,000.00 | 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. | | |

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 had repaid ₹ 4,83,068.24 thousands towards the said loan.

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 end 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

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 Holding Company

| Repayment and interest terms | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| 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.<br>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 25)

**20 Other financial liabilities**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| Retention money towards project cost | 57,132.69 | 59,968.24 |
| | **57,132.69** | **59,968.24** |

**21 Provisions**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| Provision for employee benefits | 22,046.02 | - |
| | **22,046.02** | - |

**22 Other non current liabilities**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| Deferred guarantee income (refer note 42) | 6,436.67 | 11,854.78 |
| | **6,436.67** | **11,854.78** |

**23 Borrowings -current**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| **Unsecured** | | |
| Intercorporate deposit | | |
| -From related parties (Refer note 43) | 9,13,827.41 | - |
| | **9,13,827.41** | - |

**24 Trade payables**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| 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** |

**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** |

The sanctioned amount under the facility is Rs 73,70,000.00/- as a loan and Rs 2,30,000.00/- under Letter of credit (LOC) arrangement, repayable within sixty months, i.e by December 2020. The total amount outstanding as at 31 March 2017 is Rs 70,40,912.39/-. Out of Rs.70,40,912.39 the amount of Rs 4,75,113.37/- disclosed under note 19 as current maturities of long-term debt.

**26 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 (refer note 42) | 5,418.11 | 6,141.43 |
| | **34,04,957.28** | **37,01,303.62** |

**27 Provisions**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| Provision for employee benefits | 1,985.30 | - |
| | **1,985.30** | - |

*(This space has been left blank intentionally)*

### 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 other funds | 931.78 | - |
| (i) Provident fund | 5,487.07 | - |
| (ii) Gratuity fund | 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 | 9,199.90 | 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 | 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 | 67,824.65 | 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 mortagage 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 relevent 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 accured under section 16 of the MSME Act is not provided for.

(This space has been left blank intentionally)

**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 Inco | 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 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, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Impact of Unutilised tax losses* | 4,63,364.88 | 1,28,908.11 |
| Others | 1,045.50 | 20,639.25 |
| | **4,64,410.38** | **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

**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 | - | - |

**B Contract Balances**

| **Particulars** | **Year ended March 31, 2021** | **Year ended March 31, 2020** |
|---|---|---|
| Contract Assets | | - |
| Contract Liabilities (refer note 26) | 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 | 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**

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.

**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.

**42 Related parties**

(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 |
| 3. Key management personnel | Rajesh Ramchand Bajaj |
| | P.R. Ramakrishnan |
| | Karan Virwani |
| | Aditya Virwani |

(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 |
| **Receipt for sale of plots** | Udhyaman Investments Private Limited | 7,45,966.08 | - |
| **Interest Income** | Embassy Property Developments Private Limited | 83,285.86 | - |
| **Land, material and contract cost** | Udhyaman Investments Private Limited | | |
| **Purchase of rights in Plots** | Udhyaman Investments Private Limited | - | - |
| **Legal and professional fees** | JV Holdings Private Limited | - | 103.00 |
| **Advertisement Charges** | Embassy Property Developments Private Limited | - | - |
| **Business promotion** | Lounge Hospitality LLP | 10,322.31 | 10,833.18 |
| | JV Holdings Private Limited | 2,327.87 | 6,931.89 |
| **Interest income** | Embassy Property Developments Private Limited | 83,285.86 | - |
| **Incentives** | Embassy Property Developments Private Limited | - | 16,823.51 |
| **Repairs and maintenance** | Embassy Services Private Limited | 58,239.32 | 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 | 13,617.64 | - |
| | We Work India Management Private Limited | 19.26 | - |
| **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/(refund)** | 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 | - |
| | Aditya Virwani | 200.00 | - |
| **Retention money towards project cost** | Babbler Marketing Private Limited | 101.10 | 101.10 |
| Liability component of Optionally connvertible | Embassy Property Developments Private Limited | 2783730 | - |
| **Liability component of guarantee income (non-** | 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** | Embassy Property Developments Private Limited | 5,418.11 | 6,141.43 |
| **Trade payables** | Synergy Property Development Services Private Limited | - | 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.

**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** | **-** |

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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**

**A. Defined benefit plan**

**Leave encashment**

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) Actuarial assumptions**

| **Particulars** | **As at 31 March 2021** | **As at 31 March 2020** |
|---|---|---|
| **Financial assumptions** | | |
| Discount rate | 6.42% | 7.63% |
| Future salary growth | 7.00% | 7.00% |
| **Demographic assumptions** | | |
| Withdrawal rate | 25.23% | 25.23% |
| Retirement age | 58 | 58 |

At 31 March 2021, the weighted-average duration of the defined benefit obligation was 9.49 years (31 March 2020: 8.78

**(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 |

**46 Disclosure on financial assets and financial liabilities**

| 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 | - | - | - |
| 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 | - | 4,83,150.24 | - |
| **Total** | **25,08,781.23** | **-** | **22,21,086.06** | **-** |
| **Financial liabilities measured at amortised cost:** | | | | |
| Borrowings(curr ent 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 values and risk measurement**

**(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.

| Financial | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Borrowings(curr | 27,83,730.00 | - |
| **Total** | **27,83,730.00** | **-** |

**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.

**(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. 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 2021 | As at 31 March 2020 |
|---|---|---|
| **Fixed-rate instruments:** | | |
| Financial assets | - | - |
| Financial | - | - |
| **Total** | **-** | **-** |

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---|---|
| **Variable instruments:** | | |
| Financial assets | - | - |
| Financial | 44,58,706.39 | 60,89,720.63 |
| **Total** | **44,58,706.39** | **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 | 3,35,457.80 | (3,35,457.80) | 2,48,238.77 | (2,48,238.77) |
| **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) | 3,68,847.93 | (3,68,847.93) |

**(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 2021 | Total | Less than 1 year | 1 to 5 years | more than 5 years |
|---|---|---|---|---|
| **Financial assets** | | | | |
| 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 | 78,143.83 | 1,987.42 | - |
| | **25,08,781.23** | **25,06,793.81** | **1,987.42** | **-** |

| As at 31 March 2021 | Total | Less than 1 year | 1 to 5 years | more than 5 years |
|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | |
| Borrowings | 30,00,000.00 | - | 30,00,000.00 | - |
| Borrowings (Current and Non-current) | 44,61,588.79 | 44,61,588.79 | - | - |
| 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 | - |
| | **84,53,733.94** | **53,96,601.25** | **30,57,132.69** | **-** |

| 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 | 6,78,163.26 | 59,968.24 | - |
| | **74,43,700.68** | **73,83,732.45** | **59,968.24** | **-** |

**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 |
| Proceeds from | (60,89,720.63) | 41,59,640.28 | (27,99,492.69) | (2,07,431.83) | (72,42,436.39) |

| Particulars | Opening balance | Cash flows | | Non cash movement | Closing balance |
|---|---|---|---|---|---|
| | 1 April 2019 | Proceeds | Repayments | Fair value changes | 31 March 2020 |
| Proceeds from | (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 31 March 2021 | As at 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 financials statements**

a. Exemption from preparation of consolidated financials statements:
As per Ind AS 110, paragraph 4(a), a Parent company need not present consloidated financials statements if it meets following conditions:

i) It is a wholly owned subsidiary or is a partialy 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 seperate financial statments 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**
**CIN:U85110KA1995PTC017950**
**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.

*for* **N S V M & Associates**
Chartered Accountants
Firm registration number: 010072S

D N SREE HARI
Digitally signed by D N SREE HARI
Date: 2021.07.27 15:54:38 +05'30'

**D N Sree Hari**
Partner
Membership No. 027388

Place: Bengaluru
Date: 27th July 2021

**for and on behalf of the Board of Directors of**
**Nam Estates Private Limited**

| | |
|---|---|
| PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN<br>Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN<br>Date: 2021.07.27 15:04:54 +05'30' | RAJESH RAMCHAND BAJAJ<br>Digitally signed by RAJESH RAMCHAND BAJAJ<br>Date: 2021.07.27 15:05:18 +05'30' |
| **P R Ramakrishnan** | **Rajesh Bajaj** |
| Director | Director |
| DIN: 00055416 | DIN: 00738227 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 27th July 2021 | Date: 27th July 2021 |

HRA & CO.,
Chartered Accountants

# 522/C, 2nd Floor, 1st D Cross,
15th Main Road, 3rd Stage,
4th Block, Basaveshwaranagar,
Bangalore-560079
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E : ravin@hraindia.com
W : www.hraindia.com

# 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, |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Financial assets | | | |
| - Cash and cash equivalents | 3 | - | 117. |
| - Trade receivables | 4 | 11,051.64 | - |
| Other non-financial assets | 5 | 1,841.35 | - |
| Total current assets | | 12,892.99 | 117.6 |
| **Total assets** | | **12,892.99** | **117.6** |
| **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**

**Shreedevi C**
Partner
Membership No: 221563

**Place : Bengaluru**
**Date : July 29, 2021**

HRA & Co., FRN : 010005S BANGALORE Chartered Accountants

**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 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**

**Shreedevi C**
Partner
Membership No: 221563

**Place : Bengaluru**
**Date : July 29, 2021**

HRA & Co., FRN : 010005S BANGALORE Chartered Accountants

**Narpat Singh Choraria**
Director
DIN: 00027580

**Place : Bengaluru**
**Date : July 29, 2021**

**Shaina Ganapathy**
Director
DIN: 001777973

**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**

**Shreedevi C**
Partner
Membership No: 221563

**Place : Bengaluru**
**Date : July 29, 2021**

HRA & Co. FRN : 010005S BANGALORE Chartered Accountants

**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**

**Shreedevi C**
Partner
Membership No: 221563

HRA & Co. FRN : 010005S BANGALORE Chartered Accountants

**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**

**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.

*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.

*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.

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 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 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**

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*

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

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.

(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 |
|---|---|---|
| Profir/(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.

**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/(Reimburesement 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**

**Shreedevi C**
Partner
Membership No: 221563

**Narpat Singh Choraria**
Director
DIN: 00027580

**Shaina Ganapathy**
Director
DIN: 001777973

HRA & Co. FRN : 010005S BANGALORE Chartered Accountants

**Place : Bengaluru**
**Date : July 29, 2021**

**Place : Bengaluru**
**Date : July 29, 2021**

## 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.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td></td><td></td></tr>
<tr><td>

**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.

</td><td>

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:

</td></tr>
</table>

**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;<br><br>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;<br><br>iii. We obtained and verified the valuation of land parcels as per the government prescribed circle rates; and<br><br>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 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

- 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;

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.

(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.

(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

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 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
**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**
**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** | 4 | | |

**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

**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**
**Cash flow statement for the year ended**

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| **A** | **Cash flow from operating activities:** | | |
| | Loss before tax | **(13,926.44)** | **(5,053.23)** |
| | *Adjustments for:* | | |
| | 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** |
| | *Working capital changes and other adjustments:* | | |
| | 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 (₹ in lakhs) | 31 March 2020 (₹ 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

**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**
**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 19A 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

**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 it's 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.

*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.

### 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).

*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'.

### 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.

**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 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 of 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.

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.

**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.

*(This space has been intentionally left blank)*

**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 | |
|---|---|---|---|---|---|
| | **Note - 8** | **Number** | **Amount (₹ in lakhs)** | **Number** | **Amount (₹ in lakhs)** |
| **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** |

| | 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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| | 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 19A(iii) and 19A(vii).*

**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*

| | 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** |
| | **Less:** Impairment for loans (expected credit loss) | (5,054.88) | (5,054.88) |
| | | **283,326.04** | **445,530.84** |
| | **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 agianst 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.

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| **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** |

| | **31 March 2021 (₹ in lakhs)** | **31 March 2020 (₹ in lakhs)** |
|---|---|---|
| **Note - 12** | | |
| **Non-current tax assets (net)** | | |
| Advance income tax, including tax deducted at source (net of provisions) | 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 | 0.61 | 0.65 |
| Advance to suppliers/service providers (doubtful balance of ₹ 179.27 lakhs (31 March 2020: ₹ 179.27 lakhs)) | 195.01 | 186.89 |
| Prepaid expenses | 31.87 | 22.57 |
| Balances with statutory authorities (doubtful balance of ₹ 875.00 lakhs (31 March 2020: ₹ 875.00 lakhs))* | 2,303.20 | 2,153.34 |
| Stamp paper in hands | - | 4.50 |
| | **2,530.69** | **2,367.95** |
| **Less**: Impairment for non-financial assets | (1,054.27) | (1,054.27) |
| | **1,476.42** | **1,313.68** |

**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.

*(This space has been intentionally left blank)*

**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**

| **Name of the equity shareholder** | **31 March 2021**<br>**Number of shares** |
|---|---|
| Embassy Property Developments Private Limited | 63,095,240 |
| SG Infralands Private Limited | - |
| SG Devbuild Private Limited | - |
| Morgan Stanley Asia (Singapore) PTE | - |

| **Name of the equity shareholder** | **31 March 2020**<br>**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**

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.

**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)** | | **(₹ in lakhs)** |
| **i Authorised** | **Number** | **Amount** | **Number** | **Amount** |
| 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 Company has not issued preference shares, hence, other disclosures are not presented.*

**Note - 20**

| **Other equity** | **31 March 2021** | **31 March 2020** |
| --- | --- | --- |
| Reserves and surplus | **(₹ in lakhs)** | **(₹ in lakhs)** |
| 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.

*(This space has been intentionally left blank)*

| | | 31 March 2021 | 31 March 2020 |
|---|---|---|---|
| | **Note - 21** | **(₹ in lakhs)** | **(₹ in lakhs)** |
| **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 | 31 March 2020 |
|---|---|---|---|---|---|
| | | | | **(₹ in lakhs)** | **(₹ 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 altough 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 altough 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 altough 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 altough 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 altough 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).

*(This space has been intentionally left blank)*

| | | 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).

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| | **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) | 27.03 | 17.65 |
| | Compensated absences (refer note 43) | 16.97 | 6.35 |
| | | **44.00** | **24.00** |
| B | **Provisions - current** | | |
| | Provision for employee benefits: | | |
| | Gratuity (refer note 43) | 0.70 | 2.52 |
| | Compensated absences (refer note 43) | 0.30 | 0.12 |
| | | **1.00** | **2.64** |
| | **Note - 24** | | |
| | **Other financial liabilities - current** | | |
| | Current maturities of non-current borrowings | | |
| | Non-convertible debentures (redeemable) | 11,981.22 | 51,741.34 |
| | Term loans | - | 118,032.51 |
| | Interest accrued on non-convertible debentures and term loans from banks | 1,756.13 | 2,552.92 |
| | Unpaid dividend on equity shares* | 9.42 | 38.74 |
| | Retention money payable | - | 5.28 |
| | Payable for investment** | - | 5,109.00 |
| | Expenses payable | - | 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*

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| | **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** |

| | 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** |

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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 |
| Foreien Excahnge - gain (net) | 0.07 | - |
| Miscellaneous income | - | 10.03 |
| | **4,121.99** | **27,216.87** |

*# Profit recognised on sale of investments in mutual funds*

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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** |

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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** |

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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** |

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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** |

| | 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 recongnised for non-recoverable/adjustable gooods and serivces tax input credit.*

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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:

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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** |

| | 31 March 2021 | 31 March 2020 |
|---|---|---|
| | (₹ in lakhs) | (₹ 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:

| | 31 March 2021 | 31 March 2020 |
|---|---|---|
| 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** | **452,024,375** | **453,834,397** |
| | | |
| **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.

*(This space has been intentionally left blank)*

**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 2010: 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.

*(This space has been intentionally left blank)*

**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 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% |
| 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% |

| 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% |

| 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% |
| 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% |
| 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% |

*(This space has been intentionally left blank)*

**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 (Formely 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<br>Subsidiary Companies | 31 March 2020<br>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<br>Joint venture | 31 March 2020<br>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<br>Subsidiary Companies | 31 March 2020<br>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<br>Subsidiary Companies | 31 March 2020<br>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 (Formely known as Indiabulls Real Estate Company Private Limited) | - | 326.83 |
| **Interest on lease liabilities** | | |
| One International Centre Private Limited (Formely known as Indiabulls Real Estate Company Private Limited) | - | 98.95 |
| **Maintenance expenses** | | |
| One International Centre Private Limited (Formely known as Indiabulls Real Estate Company Private Limited) | - | 47.85 |
| **Electricity expenses** | | |
| One International Centre Private Limited (Formely 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 (Formely 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 |

| 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 (Formely 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 financials supports to certain subsidiaries as and when requried.

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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** |

**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) |

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** |

**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.

| 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.

**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.

**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 asses 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.

**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

**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

## 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, it's 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**<br><br>The accounting policies for Inventories are set out in Note 4.4 to the consolidated financial statements.<br><br>Inventories of the Group comprise of real estate properties (including land) are disclosed under Note 15.<br><br>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.<br><br>On account of the above assessment, an impairment loss of ₹ 805.00 lakhs have been recognized in the current year.<br><br>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:<br><br>• 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);<br><br>• 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;<br><br>• 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;<br><br>• 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;<br><br>• 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;<br><br>• Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists;<br><br>• For land parcels, obtained and verified the valuation of land parcels as per the government prescribed circle rates, wherever necessary;<br><br>• Tested the arithmetical accuracy of the cash flow projections; and<br><br>• 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**<br><br>The Group's policies on revenue recognition is set out in Note 4.3 to the consolidated financial statements.<br><br>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.<br><br>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.<br><br>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.<br><br>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:<br><br>• Evaluated the appropriateness of the Group's revenue recognition policies with respect to the principles of Ind AS 115;<br><br>• 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;<br><br>• We have performed the following procedures for revenue recognition:<br>a. Verification of the possession letters issued on sample basis along with the proof of deliveries to ensure completeness;<br>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<br>c. Performing cut-off procedures and other analytical procedures like project wise variance analysis and margin analysis to find any anomalies.<br><br>• Ensured that the disclosure requirements of Ind AS 115 have been complied with. |
| **Valuation of investments held by subsidiary entities in equity instruments**<br><br>The Group's policies on valuation of Investments is set out in Note 4.12 to the consolidated financial statements.<br><br>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.<br><br>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:<br><br>• 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;<br><br>• We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing.<br><br>• 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.<br><br>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;<br><br>• Evaluating the management's independent professional valuer's competence, capabilities and objectivity;<br><br>• Assessing the valuation methodology used by the independent professional valuer to estimate the fair value of the investments;<br><br>• Testing the mathematical accuracy of the cash flows projection; and<br><br>• Ensured that the disclosure requirements of accounting standards have been complied with. |
| **Assessing the carrying value of certain outside group advances**<br><br>The Group's policies on the impairment assessment of the advances is set out in Note 4.13 to the consolidated financial statements.<br><br>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.<br><br>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.<br><br>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:<br><br>• 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;<br><br>• Enquired of the management and inspected the internal controls related to process followed to recover these and assess whether impairment is required;<br><br>• Inspected underlying supporting documents and agreements entered between the parties for the advances made during the year;<br><br>• Assessed breach in terms of these advances as per agreement, if any;<br><br>• Obtained direct independent confirmations for the said advances outstanding as at 31 March 2021;<br><br>• 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;<br><br>• Checked of subsequent recoveries, if any; and<br><br>• 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**: 21084964AAAAAO7908

**Place:** New Delhi
**Date:** 23 April 2021

**Indiabulls Real Estate Limited**
**Consolidated balance sheet as at 31 March 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** | 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 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** |
| | *Adjustments for:* | | |
| | 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** |
| | *Working capital changes and other adjustments:* | | |
| | 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) s | (713.15) | (2,072.95) |
| | **Net cash used in financing activities** | **(179,127.38)** | **(189,037.71)** |

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ 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)** | **8,116.09** | **4,817.43** |

<u>**Notes:**</u>

| | | | |
|---|---|---|---|
| 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** | **8,116.09** | **4,817.43** |

**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

**Indiabulls Real Estate Limited**
**Consolidated 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 | 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)** | **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** |
| 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** | **304,202.24** | **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** | **296,693.87** | **1,146.34** | **297,840.21** |

**Refer note 20A for details*
***Refer note 20C 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

## 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 it's 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 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.

### 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.

*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.

### 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.

### 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.

*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.

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.

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 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 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).

### 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 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.

*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.

**Note - 6**
**Investment property**

(₹ in lakhs)

| | Leasehold land | Building and related fixtures | 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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**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**

| | | 31 March 2021 | | 31 March 2020 | |
|---|---|---|---|---|---|
| **A** | **Investments - non-current** | | | | |
| **(i)** | **Investment in equity shares - others** | **Number** | **Amount** | **Number** | **Amount** |
| | **Quoted** | | **(₹ in lakhs)** | | **(₹ in lakhs)** |
| | RattanIndia Power Limited (face value of ₹ 10 each)# | 241,351,470 | 6,154.46 | 241,351,470 | 3,258.24 |
| | **Unquoted*** | | | | |
| | Avinash Bhosale Infrastructure Private Limited (face value of ₹ 100 each) | 2,090,000 | 1,967.56 | 2,090,000 | 1,976.80 |
| | Good Morning India Media Private Limited (face value of ₹ 10 each) | 2,500,000 | - | 2,500,000 | 217.32 |
| | Jagati Publications Limited (face value of ₹ 10 each) | 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%) | 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 |
| | | | **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*

| | | 31 March 2021 | 31 March 2020 |
|---|---|---|---|
| **B** | **Investments - current** | | |
| | **Investment in mutual funds (quoted)** | | |
| | Indiabulls Liquid Fund - Direct Plan - Growth [5,242.628 (31 March 2020 7,762.659) units] | 105.18 | 150.58 |
| | Indiabulls Savings Fund - Direct Plan - Growth [Nil (31 March 2020 : 100) units] | - | 6.67 |
| | | **105.18** | **157.25** |
| | Aggregate amount of quoted investments and market value | 105.18 | 157.25 |

*(This space has been intentionally left blank)*

| | | 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.

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| | **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

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| 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** |

| 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** |

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| | **Note - 13** | | |
| | **Non-current tax assets (net)** | | |
| | Advance income tax, including tax deducted at source (net of provisions) | 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** |

**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 |
| **Less**: Impairment for trade receivables (expected credit loss) | (34.62) | (33.04) |
| | **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.

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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.

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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.

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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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**Indiabulls Real Estate Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**Note - 20**

**A Equity share capital**

| | | 31 March 2021 | | 31 March 2020 |
|---|---|---|---|---|
| | | (₹ 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 | 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**

| **Equity shares** | | | | |
|---|---|---|---|---|
| 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 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**

| **Name of the equity shareholder** | **31 March 2021**<br>**Number of shares** |
|---|---|
| Embassy Property Developments Private Limited | 63,095,240 |
| SG Infralands Private Limited | - |
| SG Devbuild Private Limited | - |
| Morgan Stanley Asia (Singapore) PTE | - |

| **Name of the equity shareholder** | **31 March 2020**<br>**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 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.

**viii 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).

**ix 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 46.

**B Preference share capital**

| | 31 March 2021 | | 31 March 2020 | |
|---|---|---|---|---|
| | Number | Amount<br>(₹ in lakhs) | Number | Amount<br>(₹ 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 2021 | | 31 March 2020 | |
|---|---|---|---|---|
| | Number | Amount<br>(₹ in lakhs) | Number | Amount<br>(₹ 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 | 425,000,000 | 42,500.00 | 425,000,000 | 42,500.00 |
| | | **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<br>Number of shares | 31 March 2020<br>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<br>(₹ in lakhs) | 31 March 2020<br>(₹ 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 |
| | **296,693.87** | **304,202.24** |

**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 andcetain 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 |

| | | | | | |
|---|---|---|---|---|---|
| 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) Frst 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 altough 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 altough 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 altough 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 altough 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 altough 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

**(₹ in lakhs)**

| Particulars # | Year | Sanction | Drawdown | Outstanding |
|---|---|---|---|---|
| Indusind Bank | 31-03-2020 | 20,000.00 | 20,000.00 | 19,752.17 |
| | **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 aboresaid 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.

| | 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 | - |
| 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 | 31 March 2020 |
|---|---|---|---|---|
| | | | (₹ in lakhs) | (₹ 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**

| | | 31 March 2021 | 31 March 2020 |
|---|---|---|---|
| **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.

| | | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|---|
| | **Note - 24 (cont'd)** | | |
| | **Trade payables - current** | | |
| **(ii)** | Total outstanding dues of creditors other than micro enterprises and small enterprises | | |
| | Due to others | 11,059.64 | 24,705.26 |
| | Retention money | 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) | 907.74 | 1,162.18 |
| | Compensated absences (refer note 45) | 268.26 | 410.01 |
| | | **1,176.00** | **1,572.19** |
| **B** | **Provisions - current** | | |
| | Provision for claims and compensation | 7,611.97 | 7,156.53 |
| | Provision for employee benefits: | | |
| | Gratuity (refer note 45) | 70.17 | 62.19 |
| | Compensated absences (refer note 45) | 50.37 | 20.72 |
| | | **7,732.51** | **7,239.44** |
| | **Note - 26** | | |
| **A** | **Other non-current liabilities** | | |
| | Deferred revenue | 10,548.17 | 10,685.41 |
| | Advance received for land | 6,500.00 | 6,501.56 |
| | | **17,048.17** | **17,186.97** |
| **B** | **Other current liabilities** | | |
| | Payable to statutory and government authorities | 597.15 | 3,151.43 |
| | Advance from customers | 283,721.63 | 324,105.59 |
| | Deferred revenue | 188.82 | 188.82 |
| | Liability against development rights | 5,600.00 | 5,600.00 |
| | Other advances received# | 9,000.00 | 9,000.00 |
| | Other liabilities | 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.

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| **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)

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in 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:

| | 31 March 2021 | 31 March 2020 |
|---|---|---|
| **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) | 7,519.33 | 45,856.55 |
| **Accounting profit before income tax** | **7,519.33** | **45,856.55** |
| At statutory income tax rate of 25.168% (31 March 2020: 25.168% ) | 1,892.46 | 11,541.18 |
| **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** |

**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:

| | 31 March 2021 (₹ in lakhs) | 31 March 2020 (₹ in lakhs) |
|---|---|---|
| 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.

*(This space has been intentionally left blank)*

**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 -<br>31 March 2021<br>+1% loss of ₹ (19.68) lakhs<br>-1% gain of ₹ 19.68 lakhs<br>31 March 2020<br>+1% loss of ₹ (31.71) lakhs<br>-1% gain of ₹ 31.71 lakhs |
| Optionally convertible preference shares | - | 317.70 | Liquidity factor | - | 40% | Change of +/-1% in liquidity factor has following impacts -<br>31 March 2021<br>N.A.<br>31 March 2020<br>+1% loss of ₹ (3.18) lakhs<br>-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**

(₹ in lakhs)

| | 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** |

(₹ in lakhs)

| | 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** (₹ in lakhs)

| 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 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.

* 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 |

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 –

**As at 31 March 2021** (₹ in lakhs)

| 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 |

**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 |

**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) |

*(This space has been intentionally left blank)*

**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 | 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 |

**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)<br>• One International Centre Private Limited (Formely known as Indiabulls Real Estate Company Private Limited) (from 29 March 2018 and till 25 September 2019)<br>• Opcore Services Limited (formerly Indiabulls Realty Developers Limited) (from 29 March 2018 and till 25 September 2019)<br>• One Qube Realtors Limited (formerly Ashkit Properties Limited) (from 28 December 2018 and till 25 September 2019)<br>• Yashita Buildcon Limited (from 28 December 2018 and till 25 September 2019)<br>• 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<br>• Mr. Vishal Gaurishankar Damani (Joint Managing Director) till 31 December 2020<br>• Mr. Gurbans Singh (Joint Managing Director) |

**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 *(formerly Ashkit Properties Limited)* | - | (3,304.26) |
| Indiabulls Properties Private Limited | - | (3,369.51) |
| One International Centre Private Limited *(formerly Indiabulls Real Estate Company Private Limited)* | - | 136.00 |
| | | |
| **Interest income** | | |
| One Qube Realtors Limited *(formerly Ashkit Properties Limited)* | - | 246.29 |
| Indiabulls Properties Private Limited | - | 41.26 |
| | | |
| **Income from administration, legal and management fee and marketing commission** | | |
| Opcore Services Limited *(formerly Indiabulls Realty Developers Limited)* | - | 1,144.32 |
| Yashita Buildcon Limited | - | 26.52 |
| | | |
| **Depreciation on right of use assets** | | |
| One International Centre Private Limited *(formerly Indiabulls Real Estate Company Private Limited)* | - | 730.86 |
| | | |
| **Interest on lease liabilities** | | |
| One International Centre Private Limited *(formerly Indiabulls Real Estate Company Private Limited)* | - | 229.60- |

**(₹ in lakhs)**

| **Nature of transactions** | **31 March 2021** | **31 March 2020** |
|---|---|---|
| | | |
| **Maintenance expenses** | | |
| One International Centre Private Limited *(formerly Indiabulls Real Estate Company Private Limited)* | - | 94.55 |
| | | |
| **Electricity expenses** | | |
| One International Centre Private Limited *(formerly Indiabulls Real Estate Company Private Limited)* | - | 43.98 |
| | | |
| **Revenue from construction contracts (excluding taxes)** | | |
| Indiabulls Properties Private Limited | - | 7,318.26 |
| One International Centre Private Limited *(formerly Indiabulls Real Estate Company Private Limited)* | - | 6,802.86 |
| | | |
| **Corporate guarantees (settled)/given** | | |
| Indiabulls Properties Private Limited | - | (256,452.78) |
| One International Centre Private Limited *(formerly Indiabulls Real Estate Company Private Limited)* | - | (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**

**i.** Corporate guarantee issued by Holding Company on behalf of other entities amounting to ₹ 26.48 lakhs (31 March 2020: ₹ 5,084.06 lakhs).

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) |

| 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 |

| | 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** |

**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 ₹

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 |

| | | |
|---|---|---|
| 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% |

| 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% |

| 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% |

| 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% |

| 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% |

| 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% |

| 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 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 |
|---|---|---|

| | | |
|---|---:|---:|
| 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.*

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 (Formely 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 |

(₹ 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** |

| | | | |
|---|---|---|---|
| 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

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.

**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 Infratech 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) |
| Kaltha 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

**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

*Agarwal Prakash & Co.*
CHARTERED ACCOUNTANTS
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**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 30 September 2021 and the consolidated year to date results for the period 1 April 2021 to 30 September 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

AGARWAL PRAKASH & CO. FRN 005975N New Delhi CHARTERED ACCOUNTANTS

**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 ₹165,512.31 lakhs as at 30 September 2021, and total revenues of ₹2,698.28 lakhs and ₹3,116.55 lakhs, total net profit after tax of ₹2,377.24 lakhs and ₹2,524.83 lakhs, total comprehensive income of ₹3,396.98 lakhs and ₹3,296.31 lakhs, for the quarter and year to date period ended on 30 September 2021, respectively, and cash Inflows (net) of ₹1,105.46 lakhs for the period ended 30 September 2021, 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

AGARWAL PRAKASH & CO. FRN 005975N New Delhi CHARTERED ACCOUNTANTS

**Prakash Agarwal**
Partner
Membership No.: 084964
UDIN: 21084964AAAABG1268

Place: Gurugram
Date: 14 October 2021

**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,

AGARWAL PRAKASH & CO. FRN 005975N New Delhi CHARTERED ACCOUNTANTS

**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, Vonnie 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 Developers Limited, Juventus Properties Limited, Lucina Buildwell Limited, Lucina Properties Limited, Selene Buildwell Limited, Selene Properties Limited, Tefia Land Development Limited, Vindhyachal 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.

AGARWAL PRAKASH & CO. FRN 005975N New Delhi CHARTERED ACCOUNTANTS

Agarwal Prakash & Co.
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**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 30 September 2021 and the year to date results for the period 1 April 2021 to 30 September 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,

AGARWAL PRAKASH & CO. FRN 005975N New Delhi CHARTERED ACCOUNTANTS

**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

FRN
005975N
New Delhi
AGARWAL PRAKASH & CO. ★ CHARTERED ACCOUNTANTS

**Prakash Agarwal**
Partner
Membership No.: 084964
UDIN: 21084964AAAABF2773

Place: Gurugram
Date: 14 October 2021

# Indiabulls REAL ESTATE

**Indiabulls Real Estate Limited**
**Statement of Unaudited Consolidated Financial Results**
**for the quarter and half year ended 30 September 2021**

Rs. in Lakhs

| Particulars | 3 months ended 30 September 2021 | Preceding 3 months ended 30 June 2021 | Corresponding 3 months ended 30 September 2020 | Year to date figures for current period ended 30 September 2021 | Year to date figures for previous period ended 30 September 2020 | Previous year ended 31 March 2021 |
|---|---|---|---|---|---|---|
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| **1 Income** | | | | | | |
| a) Revenue from operations | 34,931.76 | 51,971.31 | 2,014.91 | 86,903.07 | 6,800.45 | 152,141.75 |
| b) Other income | 3,193.00 | 1,231.81 | 3,055.32 | 4,424.81 | 7,773.50 | 14,064.20 |
| **Total income** | **38,124.76** | **53,203.12** | **5,070.23** | **91,327.88** | **14,573.95** | **166,205.95** |
| **2 Expenses** | | | | | | |
| a) Cost of land, plots, constructed properties and others | 27,526.04 | 42,515.85 | 2,084.51 | 70,041.89 | 5,735.84 | 111,327.01 |
| b) Employee benefits expense | 1,806.51 | 1,680.57 | 937.20 | 3,487.08 | 2,320.13 | 5,206.97 |
| c) Finance costs | 2,797.45 | 2,867.53 | 6,265.24 | 5,664.98 | 14,063.95 | 22,789.01 |
| d) Depreciation and amortisation expense | 291.37 | 290.99 | 426.84 | 582.36 | 1,125.45 | 1,725.01 |
| e) Other expenses | 3,355.96 | 3,713.59 | 3,138.49 | 7,069.55 | 8,208.50 | 17,638.62 |
| **Total expenses** | **35,777.33** | **51,068.53** | **12,852.28** | **86,845.86** | **31,453.87** | **158,686.62** |
| **3 Profit/(loss) before tax (1-2)** | **2,347.43** | **2,134.59** | **(7,782.05)** | **4,482.02** | **(16,879.92)** | **7,519.33** |
| **4 Tax expense** | | | | | | |
| a) Current tax expense - including earlier years | 352.68 | 303.67 | 69.30 | 656.35 | 180.41 | 546.41 |
| b) Deferred tax charge/(credit) | 1,430.14 | 1,344.29 | (249.85) | 2,774.43 | (11.95) | 6,501.07 |
| **5 Net Profit/(Loss) after tax for the period/year (3-4)** | **564.61** | **486.63** | **(7,601.50)** | **1,051.24** | **(17,048.38)** | **471.85** |
| **6 Other comprehensive income** | | | | | | |
| (i) Items that will not be reclassified to profit or loss | (8,129.82) | 13,274.33 | 120.68 | 5,144.51 | 2,896.22 | 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 | (1,240.12) | (1,474.83) | (168.43) | (2,714.95) | (301.23) | (2,700.32) |
| (iv) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - |
| **Other comprehensive income** | **(9,369.94)** | **11,799.50** | **(47.75)** | **2,429.56** | **2,597.78** | **305.52** |
| **7 Total comprehensive income for the period/year (5+6)** | **(8,805.33)** | **12,286.13** | **(7,649.25)** | **3,480.80** | **(14,450.60)** | **777.37** |
| **Net Profit/(loss) attributable to :** | | | | | | |
| Owners of the Holding Company | 553.52 | 476.24 | (7,613.84) | 1,029.76 | (17,070.32) | 430.25 |
| Non-controlling interests | 11.09 | 10.39 | 12.34 | 21.48 | 21.94 | 41.60 |
| **Other comprehensive income attributable to :** | | | | | | |
| Owners of the Holding Company | (9,369.94) | 11,799.50 | (47.75) | 2,429.56 | 2,597.78 | 305.52 |
| Non-controlling interests | - | - | - | - | - | - |
| **8 Earnings per equity share (Face value of Rs. 2 per equity share)** | | | | | | |
| (a) Basic (in Rs.) | 0.12 | 0.10 | (1.67) | 0.23 | (3.75) | 0.10 |
| (b) Diluted (in Rs.) | 0.12 | 0.10 | (1.67) | 0.23 | (3.75) | 0.10 |
| 9 Paid-up equity share capital (face value of Rs. 2 per equity share) | 9,030.77 | 9,030.77 | 9,030.77 | 9,030.77 | 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 half year ended 30 September 2021 have been reviewed by the Audit Committee and approved by the Board of Directors ('the Board') at its meeting held on 14 October 2021 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 & haf year ended 30 September 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, invesiment 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 30 September 2021 (Consolidated - Unaudited)**

Rs. in Lakhs

| Particulars | As at 30 September 2021 | As at 31 March 2021 |
|---|---|---|
| | (Unaudited) | (Audited) |
| **ASSETS** | | |
| Non-current assets | | |
| Property, plant and equipment | 1,978.60 | 2,515.65 |
| Investment property | 6,005.03 | 6,041.98 |
| Other intangible assets | 25.06 | 39.28 |
| Financial assets | | |
| Investments | 17,753.92 | 14,404.60 |
| Other financial assets | 1,356.80 | 2,311.16 |
| Deferred tax assets (net) | 17,521.33 | 20,295.65 |
| Non-current tax assets (net) | 13,297.71 | 14,464.99 |
| Other non-current assets | 6,840.78 | 6,860.03 |
| **Total of non-current assets** | **64,779.23** | **66,933.34** |

Indiabulls Real Estate Limited *

| | | |
|---|---|---|
| **Current assets** | | |
| Inventories | 567,550.70 | 618,612.98 |
| Financial assets | | |
| Investments | 3,361.13 | 105.18 |
| Trade receivables | 45,122.30 | 30,019.04 |
| Cash and cash equivalents | 6,373.70 | 8,116.09 |
| Other bank balances | 12,961.39 | 11,599.86 |
| Loans | 5,132.44 | 23,008.12 |
| Other financial assets | 93,931.58 | 93,696.48 |
| Other current assets | 14,300.37 | 14,377.62 |
| Assets classified as held for sale | 3.75 | 9,003.87 |
| **Total of current assets** | **748,737.36** | **808,739.24** |
| **Total of Assets** | **813,516.59** | **875,672.58** |
| | | |
| EQUITY AND LIABILITIES | | |
| **Equity** | | |
| Equity share capital | 9,030.77 | 9,030.77 |
| Instruments entirely in the nature of equity | 42,500.00 | 42,500.00 |
| Other equity | 300,152.30 | 296,693.87 |
| **Total of Equity (for controlling shareholders of Holding Company)** | **351,683.07** | **348,224.64** |
| Non-controlling interests | 1,167.82 | 1,146.34 |
| **Total of Equity** | **352,850.89** | **349,370.98** |
| **Liabilities** | | |
| **Non-current liabilities** | | |
| Financial liabilities | | |
| Borrowings | 20,708.81 | 37,805.58 |
| Provisions | 1,197.68 | 1,176.00 |
| Other non-current liabilities | 16,981.09 | 17,048.17 |
| **Total of non-current liabilities** | **38,887.58** | **56,029.75** |
| **Current liabilities** | | |
| Financial liabilities | | |
| Borrowings | 107,299.85 | 84,445.26 |
| Lease liabilities | - | 69.56 |
| Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 970.92 | 7,215.20 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 27,872.61 | 22,847.99 |
| Other financial liabilities | 9,835.32 | 45,127.91 |
| Other current liabilities | 271,077.58 | 302,403.06 |
| Provisions | 3,666.50 | 7,732.51 |
| Current tax liabilities (net) | 1,055.34 | 430.36 |
| **Total of current liabilities** | **421,778.12** | **470,271.85** |
| **Total of Equity and Liabilities** | **813,516.59** | **875,672.58** |

5 **Cash flow statement for the period ended 30 September 2021 (Consolidated - Unaudited)**

| **Particulars** | **Year to date figures for current period ended 30 September 2021** (Unaudited) | **Year to date figures for previous period ended 30 September 2020** (Unaudited) |
|---|---|---|
| | | Rs. in Lakhs |
| **A Cash flow from operating activities:** | | |
| **Profit/(loss) before tax** | 4,482.02 | (16,879.92) |
| *Adjustments for:* | | |
| Depreciation and amortization expenses | 582.36 | 1,125.45 |
| Interest expenses | 5,633.63 | 14,106.30 |
| Interest expense on taxation | 23.38 | - |
| Other borrowing costs | 7.97 | 39.42 |
| Impairment of investments | - | 1,512.14 |
| (Profit) / Loss or write off on sale of property, plants and equipment | (4.47) | 0.48 |
| Interest income | (1,210.05) | (4,604.16) |
| Excess provision/liabilities written back | - | (1,015.38) |
| Provision for employee benefits | 63.60 | (335.87) |
| Provision for claims and compensation | - | 428.03 |
| Share based payment expense | 125.01 | 18.49 |
| Amounts written off | 490.64 | - |
| Income on fair valuation of financial assets | (0.22) | - |
| Profit on sale of investments in mutual funds (net) | (88.51) | (85.72) |
| Interest income on amortized cost financial assets | - | (70.23) |
| Modification gain on de-recognition of lease contracts | - | (298.62) |
| **Operating profit/(loss) before working capital changes and other adjustments:** | **10,104.66** | **(6,059.79)** |

Indiabulls Real Estate Limited

| | | | |
|---|---|---|---|
| | *Working capital changes and other adjustments:* | | |
| | Inventories | 53,196.02 | (1,119.38) |
| | Trade receivables | (15,103.26) | 842.79 |
| | Current and non-current loans | - | (85.07) |
| | Other current and non-current assets | 96.50 | 5,127.27 |
| | Other current and non-current financial assets | (2,702.46) | (540.97) |
| | Trade payables | (1,219.66) | (4,319.35) |
| | Other current and non-current financial liabilities | (35,266.96) | (16,422.59) |
| | Other current liabilities | (35,118.39) | 1,119.97 |
| | **Cash used in operating activities** | **(26,073.55)** | **(21,427.12)** |
| | Income taxes refund / (paid) - net | 656.10 | 5,169.95 |
| | **Net cash used in operating activities (A)** | **(25,417.45)** | **(16,257.17)** |
| **B** | **Cash flow from investing activities:** | | |
| | Purchase of property, plant and equipment | (9.87) | - |
| | Proceeds form sale of property, plant and equipment | 9.36 | 38.29 |
| | Movement in fixed deposits/other bank balances (net) | (416.28) | 24,227.91 |
| | Proceeds from sale of non-current investments | 1,551.25 | - |
| | Proceeds from asset held for sale | 9,000.12 | - |
| | Proceeds from sale of current investments | - | 124.25 |
| | Purchase of current investments | (3,167.44) | - |
| | Proceeds from Loans | 17,930.90 | 84,567.64 |
| | Interest received | 1,377.68 | 10,601.27 |
| | **Net cash flow from investing activities (B)** | **26,275.72** | **119,559.36** |
| **C** | **Cash flow from financing activities:** | | |
| | Acquisition of treasury shares | - | (1,393.22) |
| | Repayment of borrowings to banks | (18,456.00) | (48,165.51) |
| | Proceeds from issue of debentures | 30,000.00 | - |
| | Redemption of debentures | (19,800.00) | (58,665.68) |
| | Proceeds from issue of commercial paper | - | 8,000.00 |
| | Repayment of commercial paper | - | (5,000.00) |
| | Proceeds from borrowings from financial institutions | 141,200.00 | 39,500.00 |
| | Repayment of borrowings from financial institutions | (125,920.00) | - |
| | Interest and other borrowing costs paid | (9,553.49) | (16,043.78) |
| | Payment of lease liabilities | (71.17) | (126.41) |
| | **Net cash used in financing activities (C)** | **(2,600.66)** | **(81,894.60)** |
| **D** | **Net (decrease) / increase in cash and cash equivalents (A+B+C)** | (1,742.39) | 21,407.59 |
| **E** | **Cash and cash equivalents at the beginning of the period** | 8,116.09 | 4,817.43 |
| | **Cash and cash equivalents at the end of the period (D+E)** | 6,373.70 | 26,225.02 |

6 Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on 29 September 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.

7 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.

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

Indiabulls Real Estate Limited

Indiabulls Real Estate Limited
Statement of Unaudited Standalone Financial Results
for the quarter and half year ended 30 September 2021

Rs. in Lakhs

| Particulars | 3 months ended 30 September 2021 | Preceding 3 months ended 30 June 2021 | Corresponding 3 months ended 30 September 2020 | Year to date figures for current period ended 30 September 2021 | Year to date figures for previous period ended 30 September 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 | 228.65 | 342.94 | 1,505.37 | 571.58 | 2,769.75 | 4,121.99 |
| Total income | 228.94 | 342.94 | 1,505.37 | 571.87 | 2,769.75 | 4,718.40 |
| 2 Expenses | | | | | | |
| a) Cost of sales/services | - | - | - | - | - | - |
| b) Employee benefits expense | 237.95 | 113.20 | 75.91 | 351.15 | 162.65 | 244.65 |
| c) Finance costs | 1,038.02 | 1,187.67 | 4,367.25 | 2,225.69 | 11,210.41 | 16,005.89 |
| d) Depreciation and amortisation expense | 22.99 | 20.20 | 102.86 | 43.19 | 323.84 | 388.43 |
| e) Other expenses | 124.04 | 531.79 | 192.27 | 655.83 | 1,564.76 | 2,005.87 |
| Total expenses | 1,423.00 | 1,852.86 | 4,738.29 | 3,275.86 | 13,261.68 | 18,644.84 |
| 3 Loss before tax (1-2) | (1,194.06) | (1,509.92) | (3,232.92) | (2,703.99) | (10,471.93) | (13,926.44) |
| 4 Tax expense | | | | | | |
| a) Current tax expense - including earlier years | - | - | - | - | - | - |
| b) Deferred tax (credit)/charge | (11.15) | 13.94 | 26.31 | 2.79 | 16.22 | 36.14 |
| 5 Loss after tax for the period/year (3-4) | (1,182.91) | (1,523.86) | (3,259.23) | (2,706.78) | (10,468.15) | (13,962.58) |
| 6 Other comprehensive income | | | | | | |
| (i) Items that will not be reclassified to profit or loss | (7,865.60) | 12,047.75 | 109.52 | 4,161.95 | 2,628.60 | 2,616.21 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | - | - | - | - | - | 3.12 |
| Other comprehensive income | (7,885.80) | 12,047.75 | 109.52 | 4,161.95 | 2,628.60 | 2,619.33 |
| 7 Total comprehensive income for the period/year (5+6) | (9,068.71) | 10,523.89 | (3,149.71) | 1,455.17 | (7,859.55) | (11,343.25) |
| 8 Earnings per equity share (Face value of Rs. 2 per equity share) | | | | | | |
| (a) Basic (in Rs.) | (0.26) | (0.34) | (0.72) | (0.60) | (2.31) | (3.09) |
| (b) Diluted (in Rs.) | (0.26) | (0.34) | (0.72) | (0.60) | (2.31) | (3.09) |
| 9 Paid-up equity share capital (face value of Rs. 2 per equity share) | 9,030.77 | 9,030.77 | 9,030.77 | 9,030.77 | 9,030.77 | 9,030.77 |
| 10 Net worth | 633,780.49 | 642,724.20 | 637,078.48 | 633,780.49 | 637,078.48 | 632,200.31 |
| 11 Debenture redemption reserve | 6,875.00 | 27,062.50 | 27,062.50 | 6,875.00 | 27,062.50 | 27,062.50 |
| 12 Outstanding redeemable preference share | - | - | - | - | - | - |
| Ratios | | | | | | |
| 13 Debt equity ratio | 0.06 | 0.04 | 0.21 | 0.06 | 0.21 | 0.08 |
| 14 Debt service coverage ratio | (0.15) | (0.02) | 0.03 | (0.03) | 0.01 | 0.01 |
| 15 Interest service coverage ratio | (0.15) | (0.27) | 0.23 | (0.22) | 0.06 | 0.13 |
| 16 Current ratio | 3.87 | 7.61 | 3.13 | 6.87 | 3.13 | 9.47 |
| 17 Long term debt to working capital | 0.10 | 0.10 | 0.17 | 0.10 | 0.17 | 0.12 |
| 18 Bad debt to account receivable ratio | - | - | - | - | - | - |
| 19 Current liability ratio | 1.00 | 1.00 | 0.84 | 1.00 | 0.84 | 0.59 |
| 20 Debtor turnover ratio | - | - | - | - | - | - |
| 21 Inventory turnover ratio | - | - | - | - | - | - |
| 22 Operating margin | 0.00 | - | - | 0.00 | 0.00 | 0.13 |
| 23 Net profit margin | (5.17) | (4.44) | (2.17) | (4.73) | (3.76) | (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 half year ended 30 September 2021 have been reviewed by the Audit Committee and approved by the Board of Directors ('the Board') at its meeting held on 14 October 2021. 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 30 September 2021 (Standalone - Unaudited)

Rs. in Lakhs

| Particulars | As at 30 September 2021 (Unaudited) | As at 31 March 2021 (Audited) |
|---|---|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 96.20 | 139.39 |
| Financial assets | | |
| Investments | 383,223.84 | 379,306.46 |
| Other financial assets | 5.32 | 605.32 |
| Deferred tax assets (net) | 272.89 | 275.67 |
| Non-current tax assets (net) | 4,906.58 | 6,004.78 |
| Total of non-current assets | 388,504.83 | 386,331.62 |
| Current assets | | |
| Inventories | 90.19 | 90.19 |
| Financial assets | | |
| Cash and cash equivalents | 2,200.90 | 645.70 |
| Other bank balances | 5,959.46 | 5,402.91 |
| Loans | 277,307.76 | 283,326.04 |
| Other financial assets | 21.70 | 21.50 |
| Other current assets | 1,509.57 | 1,456.42 |
| Assets classified as held for sale | 3.75 | 9,003.87 |
| Total of current assets | 287,123.33 | 299,946.63 |
| Total of Assets | 675,628.16 | 686,278.25 |

Indiabulls Real Estate Limited

| | | |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **Equity** | | |
| Equity share capital | 9,030.77 | 9,030.77 |
| Other equity | 624,749.72 | 623,169.54 |
| **Total of equity** | **633,780.49** | **632,200.31** |
| **Liabilities** | | |
| **Non-current liabilities** | | |
| Financial liabilities | | |
| Borrowings | - | 22,359.32 |
| Provisions | 46.28 | 44.00 |
| **Total of non-current liabilities** | **46.28** | **22,403.32** |
| **Current liabilities** | | |
| Financial liabilities | | |
| Borrowings | 40,260.65 | 29,888.67 |
| Lease liabilities | - | 10.19 |
| Other financial liabilities | 1,526.06 | 1,765.55 |
| Other current liabilities | 13.68 | 9.21 |
| Provisions | 1.00 | 1.00 |
| **Total of current liabilities** | **41,801.39** | **31,674.62** |
| **Total of Equity and Liabilities** | **675,628.16** | **686,278.25** |

4 **Cash flow statement for the period ended 30 September 2021 (Standalone - Unaudited)**

| | | Rs. in Lakhs |
|---|---|---|
| **Particulars** | **Year to date figures for current period ended 30 September 2021** | **Year to date figures for previous period ended 30 September 2020** |
| | **(Unaudited)** | **(Unaudited)** |
| **Cash flow from operating activities:** | | |
| **Loss before tax** | **(2,703.99)** | **(10,471.93)** |
| *Adjustments for:* | | |
| Interest on income tax | - | 0.24 |
| Interest on borrowings | 2,223.65 | 11,135.53 |
| Depreciation and amortisation expenses | 43.19 | 323.84 |
| Interest on lease liabilities | 0.31 | 53.05 |
| Other borrowing costs | - | 21.59 |
| Excess provision/liabilities written back | - | (1,009.38) |
| Interest on income tax refund | (55.67) | - |
| Interest income | (427.32) | (1,546.85) |
| Provision for employee benefits | 2.28 | 30.78 |
| Share based payment expense | 125.01 | 17.84 |
| Balances written off | 481.08 | - |
| Profit on sale of investments in subsidiary | (0.29) | - |
| Profit on sale of investments (net) | (59.05) | (83.73) |
| Modification gain on de-recognition of lease contracts | - | (128.87) |
| **Operating loss before working capital changes and other adjustments:** | **(370.80)** | **(1,657.89)** |
| *Working capital changes and other adjustments:* | | |
| Current and non-current loans | - | 0.01 |
| Other current and non-current assets | 1.70 | (120.31) |
| Other current and non-current financial assets | 9.22 | (22.79) |
| Other current and non-current financial liabilities | 12.16 | 1,936.26 |
| Other current liabilities | 4.47 | (187.15) |
| **Cash used in operating activities** | **(343.25)** | **(51.87)** |
| Income taxes refund / (paid) - net | 672.16 | 5,311.68 |
| **Net cash flow from operating activities (A)** | **328.91** | **5,259.81** |
| **B Cash flow from investing activities:** | | |
| Movement in bank deposits | - | 22,060.81 |
| Proceeds from sale of investments - mutual funds (net) | 59.05 | 84.85 |
| Proceeds from sale and buy back of investments - equity shares | 0.92 | - |
| Proceeds from assets held for sale | 9,000.12 | - |
| Inter-corporate loans and advances received back/given to subsidiary companies (net) | 5,966.92 | 97,633.31 |
| Inter-corporate loans and advances given to others (net) | - | (823.26) |
| Interest received | 672.43 | 1,325.60 |
| **Net cash flow from investing activities (B)** | **15,699.44** | **120,281.31** |
| **C Cash flow from financing activities:** | | |
| Repayment of borrowings to banks | - | (48,800.00) |
| Redemption of debentures | (12,000.00) | (49,000.00) |
| Proceeds from issue of commercial paper | - | 8,000.00 |
| Repayment of commercial paper | - | (5,000.00) |
| Inter-corporate borrowings taken | 2.00 | 34.00 |
| Inter-corporate borrowings repaid | (68.65) | - |
| Interest paid on borrowings | (2,396.00) | (11,875.03) |
| Payment of lease liabilities | (10.50) | - |
| **Net cash used in financing activities (C)** | **(14,473.15)** | **(106,641.03)** |
| **D Net increase in cash and cash equivalents (A+B+C)** | **1,555.20** | **18,900.09** |
| E Cash and cash equivalents at the beginning of the period | 645.70 | 1,480.71 |
| **Cash and cash equivalents at the end of the period (D+E)** | **2,200.90** | **20,380.80** |

Indiabulls Real Estate Limited

5 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 quarter, the Company has filed the requisite joint application with jurisdictional bench of NCLT, for its approval to the Scheme of Merger.

6 The Company had established Indiabulls Real Estate Limited- Employees Welfare Trust ('Trust') for the implementation and management of its employees benefit scheme viz. "Indiabulls Real Estate Limited - Employee Stock Option Scheme - 2010" (Scheme), for the benefit of the employees of the Company and its subsidiaries. During the quarter the shares in Trust have been appropriated/granted to the employees of the Company and its subsidiaries, as permitted by SEBI.

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 & half year ended 30 September 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 September 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 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.

11 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

Mehul Johnson
Joint Managing Director

Indiabulls Real Estate Limited *

Place : Gurugram
Date : 14 October 2021

**Nam Estates Private Limited**
**CIN:U85110KA1995PTC017950**
**Balance sheet**
(all amounts in ₹ thousands unless otherwise stated)

| | Notes | As at 30 Sep 2021 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 4 | 50,300.96 |
| Investment property | 5 | 8,06,470.99 |
| Investment property under development | 6 | 61,52,111.46 |
| Investment in subsidiaires, joint ventures and associates | 7 (a) | 2,57,56,487.42 |
| Financial assets | | |
| Other Investments | 7 (b) | 94,64,386.00 |
| Loans | 8 | 10,299.65 |
| Other financial assets | 9 | 10,50,000.00 |
| Non-current tax assets (net) | 10 | 59,501.67 |
| Other non-current assets | 11 | 1,40,784.32 |
| **Total non-current assets** | | **4,34,90,342.47** |
| **Current assets** | | |
| Inventories | 12 | 2,99,58,335.35 |
| Financial assets | | |
| Trade receivables | 13 | 40,20,548.97 |
| Cash and cash equivalents | 14 | 35,83,242.27 |
| Bank balances other than cash and cash equivalent | 15 | 12,66,000.00 |
| Loans | 16 | 26,67,082.60 |
| Other financial assets | 17 | 18,08,858.72 |
| Other current assets | 18 | 9,36,530.44 |
| **Total current assets** | | **4,42,40,598.35** |
| **Total assets** | | **8,77,30,940.81** |
| **EQUITY AND LIABILITIES** | | |
| **Equity** | | |
| Equity share capital | 19 | 39,98,113.91 |
| Other equity | | 83,92,946.86 |
| **Total equity** | | **1,23,91,060.77** |
| **Non-current liabilities** | | |
| Financial liabilities | | |
| Borrowings | 20 | 2,95,26,265.25 |
| Other financial liabilities | 21 | 3,27,453.51 |
| Provisions | 22 | 24,031.32 |
| Other non current liabilities | 23 | - |
| **Total non-current liabilities** | | **2,98,77,750.08** |
| **Current liabilities** | | |
| Financial liabilities | | |
| Borrowings | 24 | 1,63,97,558.53 |
| Trade Payables | | |
| Dues to micro, small and medium enterprises | 25 | - |
| Dues to parties other than micro, small and medium enterprises | 25 | 17,01,717.37 |
| Other financial liabilities | 26 | 96,68,248.43 |
| Provisions | 27 | 2,980.00 |
| Other non financial liabilities | 28 | 1,76,91,625.63 |
| **Total current liabilities** | | **4,54,62,129.96** |
| **Total liabilities** | | **7,53,39,880.04** |
| **Total equity and liabilities** | | **8,77,30,940.81** |

*for and on behalf of the Board of Directors of*
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN
Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Date: 2022.01.04 11:29:47 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru
Date : January 4, 2022

RAJESH RAMCHAND BAJAJ
Digitally signed by RAJESH RAMCHAND BAJAJ Date: 2022.01.04 11:26:48 +05'30'

**Rajesh Bajaj**
Director
DIN: 00738227

Place: Bengaluru
Date : January 4, 2022

**Nam Estates Private Limited**
**CIN:U85110KA1995PTC017950**
**Statement of profit and loss**
(all amounts in ₹ thousands unless otherwise stated)

| | Notes | Period ended Sep 30, 2021 |
|---|---|---|
| **Income** | | |
| Revenue from operations | 29 | 8,48,840.56 |
| Other income | 30 | 4,24,392.30 |
| **Total income** | | **12,73,232.85** |
| | | |
| **Expenses** | | |
| Land, material and contract cost | 31 | 7,63,086.47 |
| Employee benefit expense | 32 | 1,02,208.58 |
| Other expenses | 35 | 4,13,575.21 |
| | | **12,78,870.26** |
| | | |
| **Earnings before finance costs, depreciation, amortization and tax** | | **(5,637.41)** |
| | | |
| Finance costs | 33 | 18,12,769.49 |
| Depreciation and amortization | 34 | 18,019.86 |
| | | |
| **Profit/(loss) before tax** | | **(18,36,426.76)** |
| | | |
| **Tax expense:** | | |
| Current tax | 38 | - |
| Tax adjustments relating to previous year | 38 | (3,162.90) |
| Deferred tax | 38 | - |
| | | |
| **Profit/ (loss) for the year** | | **(18,33,263.86)** |
| | | |
| **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 | | 43,37,797.75 |
| Income tax relating to items that will not be reclassified subsequent to profit or loss | | - |
| **Other comprehensive income for the year, net of tax** | | **43,37,797.75** |
| | | |
| **Total comprehensive income/ (loss) for the year** | | **25,04,533.89** |

*for and on behalf of the Board of Directors of*
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN
Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN
Date: 2022.01.04 11:30:18 +05'30'

RAJESH RAMCHAND BAJAJ
Digitally signed by RAJESH RAMCHAND BAJAJ
Date: 2022.01.04 11:27:24 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru
Date : January 4, 2022

**Rajesh Bajaj**
Director
DIN: 00738227

Place: Bengaluru
Date : January 4, 2022

**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 1 April 2021** | **700.02** |
| Add: issued during the year | - |
| **Balance as at Sep 30, 2021** | **700.02** |
| **Refer Note 19** | |

**B. Other equity**

| **Particulars** | **Reserves and surplus** | | **Other equity** | **Total other equity** |
|---|---|---|---|---|
| | **Capital reserve*** | **Retained earnings** | | |
| **Balance as at April 1, 2021** | (6,52,223.80) | (31,14,443.95) | (2,93,471.12) | (40,60,138.87) |
| Transfer from EPDPL (Demerger) | | (20,26,571.43) | | (20,26,571.43) |
| - equity portion of corporate guarantee | - | - | 2,11,796.99 | 2,11,796.99 |
| - debentures issued to OMR | - | - | 6,82,241.90 | 6,82,241.90 |
| - Capital reserve generated due to de-merger | 83,35,164.31 | - | - | 83,35,164.31 |
| - Capital reserve on BTA | 27,45,920.08 | - | - | 27,45,920.08 |
| Loss for the year | - | 25,04,533.89 | - | 25,04,533.89 |
| **Balance as at Sep 30, 2021** | **1,04,28,860.58** | **(26,36,481.50)** | **8,94,038.89** | **83,92,946.86** |

*for and on behalf of the Board of Directors of*
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Digitally signed by PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN Date: 2022.01.04 11:30:44 +05'30'

RAJESH RAMCHAND BAJAJ Digitally signed by RAJESH RAMCHAND BAJAJ Date: 2022.01.04 11:27:52 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru
Date : January 4, 2022

**Rajesh Bajaj**
Director
DIN: 00738227

Place: Bengaluru
Date : January 4, 2022

**Nam Estates Private Limited**
**CIN:U85110KA1995PTC017950**
**Notes to financial statements for the period ended Sep 30, 2021 (continued)**
(all amounts in ₹ thousands unless otherwise stated)

**4 Property, plant and equipment**
**Reconciliation of carrying amount for the period ended 30 Sep 2021**

| Particulars | Tangible, owned | | | | |
|---|---|---|---|---|---|
| | **Office Equipments** | **Furniture and fixtures** | **Vehicles** | **Computers** | **Total** |
| **Gross Block (Cost or deemed cost)** | | | | | |
| **Balance as at April 1, 2021** | - | 3.80 | 51,359.72 | 731.45 | 52,094.97 |
| Acquired as part of demerger | 45.00 | 203.79 | - | - | 248.79 |
| Additions | - | - | 1,133.67 | 1,747.12 | 2,880.79 |
| Deletions | - | - | - | - | - |
| **Balance as at Sep 30, 2021** | **45.00** | **207.59** | **52,493.39** | **2,478.57** | **55,224.54** |
| | | | | | |
| **Accumulated depreciation** | | | | | |
| **Balance as at April 1, 2021** | - | 3.80 | 1,111.09 | 104.50 | 1,219.38 |
| Acquired as part of demerger | 21.75 | 49.25 | - | - | 71.00 |
| Charge for the year | 4.53 | 10.21 | 3,304.45 | 314.00 | 3,633.20 |
| **Balance as at Sep 30, 2021** | **26.28** | **63.26** | **4,415.54** | **418.50** | **4,923.58** |
| Balance as at Sep 30, 2021 | **18.72** | **144.33** | **48,077.85** | **2,060.07** | **50,300.96** |

Nam Estates Private Limited
CIN:U85110KA1995PTC017950
Notes to financial statements for the period ended Sep 30, 2021 (continued)
(all amounts in ₹ thousands unless otherwise stated)

**5 Investment property**

**Reconciliation of carrying amount for the year ended 30 Sep 2021**

| Particulars | Building | Plant & Machinery | Electrical Equipments | Office Equipments | Furniture and fixtures | Computers | Freehold land | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| **Balance as at 1 April 2021** | 2,73,861.95 | 63,142.00 | 87,884.73 | 79.39 | 89,305.85 | 187.80 | 4,08,196.51 | 9,22,658.22 |
| Additions | | | | | | | | |
| Disposal/Other Adjustments | - | - | - | - | - | - | - | - |
| **Balance as at 30 Sep 2021** | **2,73,861.95** | **63,142.00** | **87,884.73** | **79.39** | **89,305.85** | **187.80** | **4,08,196.51** | **9,22,658.22** |
| **Accumulated depreciation** | | | | | | | | |
| **Balance as at 1 April 2021** | 22,578.57 | 14,826.70 | 31,252.41 | 35.95 | 32,945.22 | 161.72 | - | 1,01,800.57 |
| Charge for the year | 3,161.71 | 2,102.42 | 4,402.83 | 8.65 | 4,704.41 | 26.08 | - | 14,406.10 |
| Impairment adjustment | (19.43) | - | - | - | - | - | - | (19.43) |
| **Balance as at 30 Sep 2021** | **25,720.85** | **16,929.12** | **35,655.24** | **44.60** | **37,649.63** | **187.80** | **-** | **1,16,187.23** |
| As at 30 Sep 2021 | 2,48,141.10 | 46,212.88 | 52,229.49 | 34.79 | 51,656.22 | - | 4,08,196.51 | 8,06,470.99 |

**6 Investment property under development**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Investment property under development (refer note (i) below) | 61,52,111.46 |
| | **61,52,111.46** |

**7 Non current investments**

**7 (a) Investments in subsidiaries, joint venture and associates**

| Particulars | Face value per share | Numbers | As at 30 Sep 2021 |
|---|---|---|---|
| **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 |
| Vigor Developments Private Limited | 10.00 | 9,999 | 99.99 |
| Embassy-Columbia Pacific ASL Private Limited | 10.00 | 9,999 | 99.99 |
| Embassy One Commercial Property Developments Private Limited | 10.00 | 10,000 | 100.00 |
| Logus Projects Private Limited | 10.00 | 9,999 | 99.99 |
| Summit Developments Private Limited | 10.00 | 9,999 | 1,53,68,557.13 |
| Embassy East Business Parks Private Limited (Concord India Private Limited) - Equity shares | 10.00 | 3,82,616 | 70,14,942.27 |
| Embassy East Business Parks Private Limited (Concord India Private Limited) - Share warrants | 10.00 | 20,000 | 200.00 |
| Embassy Infra Developers Private Limited - Compulsorily Convertible Debentures | 100.00 | 1,78,99,094 | 17,59,990.04 |
| | | | |
| **Investment in joint venture** | | | |
| Embassy One Developers Private Limited - Class A equity shares | 10.00 | 5,97,27,280 | 7,34,212.44 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series A | 10.00 | 5,93,87,000 | 2,65,834.10 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series B | 10.00 | 5,25,70,000 | 2,35,319.16 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series C | 10.00 | 3,00,90,000 | 1,34,691.91 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series F | 10.00 | 1,64,18,001 | 73,491.92 |
| | | | |
| **Investment in partnership firm / LLP** | | | |
| Embassy Investment MGT Services LLP | - | - | 49,599.00 |
| Grove Ventures | - | - | 99,000.00 |
| | | | **2,57,56,487.42** |

| | |
|---|---|
| Aggregate amount of quoted investment | - |
| Aggregate amount of unquoted investments | 2,57,56,487.42 |
| Aggregate amount of impairment in value of investments | - |
| | |
| Investment carried at cost | 2,57,56,487.42 |
| Investment carried at amortised cost | - |
| Investment carried at Fair value through Other Comprehensive Income | - |
| Investment carried at Fair value through Statement of Profit & Loss | - |

**7 (b) Other investments**

| Particulars | Face value per share | Numbers | As at 30 Sep 2021 |
|---|---|---|---|
| **Unquoted** | | | |
| **Investments carried at amortized cost** | | | |
| Investments in redeemable preference shares | | | |
| Embassy East Business Parks Private Limited (Concord India Private Limited) | 100 | 1,000 | 100.00 |
| **Quoted** | | | |
| **Investments carried at fair value through other comprehensive income** | | | |
| Investments in equity instruments | | | |
| Indiabulls Real Estate Limited | 2 | 6,30,95,240 | 94,64,286.00 |
| | | | **94,64,386.00** |

| | |
|---|---|
| Aggregate amount of quoted investment | 94,64,286.00 |
| Aggregate amount of unquoted investments | 100.00 |
| Aggregate amount of impairment in value of investments | - |
| Investment carried at cost | - |
| Investment carried at amortised cost | 100.00 |
| Investment carried at Fair value through Other Comprehensive Income | 94,64,286.00 |
| Investment carried at Fair value through Statement of Profit & Loss | - |

**8 Non-current loans**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured, considered good** | |
| Security deposits | |
| Others | 6,336.66 |
| Loans to employees | 3,962.99 |
| | **10,299.65** |

**9 Other Financial assets**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Refundable security deposit for joint development project | 10,50,000.00 |
| | **10,50,000.00** |

**10 Non-current tax assets (net)**

| Particulars | As at 31 March 2021 |
|---|---|
| Advance tax, net of provision for tax | 59,501.67 |
| | **59,501.67** |

**11 Other non-current assets**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Capital advances:** | |
| Advances paid for purchase of land | 1,40,784.32 |
| | **1,40,784.32** |

**12 Inventories(valued at lower of cost and net realizable value)**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Cost of land, infrastructure development and stock of constructed properties | 2,92,09,579.26 |
| Rights in plots | 7,48,756.09 |
| | **2,99,58,335.35** |

**13 Trade receivables**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured** | |
| Considered good | 40,20,548.97 |
| Having significant increase in credit risk | - |
| Credit impaired | - |
| | 40,20,548.97 |
| Less:allowance for impairment loss | - |
| | **40,20,548.97** |

**14 Cash and cash equivalents**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Balances with banks | |
| - in current accounts | 6,541.56 |
| - in escrow account (Refer note (i) below) | 31,48,008.04 |
| **Other bank balances** | |
| - in fixed deposit accounts with banks (remaining maturity less than 3 months) | 4,28,692.66 |
| | **35,83,242.27** |

**15 Bank balances other than cash and cash equivalents**

| | |
|---|---|
| Deposits with | |
| - Remaining maturity more than three months but less than twelve months # | 12,66,000.00 |
| | **12,66,000.00** |

**16 Loans**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured, considered good** | |
| Inter corporate deposit to related party (refer note 44)* | 26,31,638.81 |
| Inter corporate deposit to others | 25,200.00 |
| Current Account balance with Partnership firm (Grove Ventures & EIMS LLP) | 7,256.56 |
| Loans to employees | 2,987.24 |
| | **26,67,082.60** |

**17 Other financial assets**

| Particulars | As at 31 March 2021 |
|---|---|
| **Unsecured, considered good** | |
| Interest accrued but not due on | |
| - fixed deposits | 10,594.63 |
| - Intercorporate deposits to related party (refer note 44)* | 4,68,587.70 |
| - Intercorporate deposits to others (refer note ) | 7,430.42 |
| Refundable security deposit for joint development project | 2,69,181.99 |
| Receivable towards sale of shares/CCDs/stakes | - |
| - from related parties | 1,44,750.43 |
| Recoverable advance to employees | 3,556.57 |
| Investment in Grove Ventures - Project Surplus Receivable | 8,55,683.05 |
| Other receivable from related parties (Refer note 43) | 48,585.71 |
| Other receivable from others | 488.22 |
| | **18,08,858.72** |

**18 Other current assets**

| Particulars | As at 31 March 2021 |
|---|---|
| **Advances other than capital advances:** | |
| Unbilled Revenue | 3,302.21 |
| Prepayments | 21,595.94 |
| Advance for supply of goods and rendering of services | 5,03,221.60 |
| Balance with government authorities | 4,08,410.68 |
| | **9,36,530.44** |

(This space is intentionally left blank)

**19 Equity share capital**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Authorised** | |
| 920,270,000 (March 31, 2021: 200,000) equity shares of Rs 10 each | 92,02,700.00 |
| **Issued, subscribed and paid up** | |
| 399,811,391 (March 31, 2021: 70,002) equity shares of Rs 10 each, fully paid up | 39,98,113.91 |
| | **39,98,113.91** |

**(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 30 Sep 2021 | |
|---|---|---|
| | **No of shares** | **Amount** |
| Number of equity shares outstanding at the beginning of the year | 70,002 | 700.02 |
| Number of equity shares issued during the year | 39,97,41,389 | 39,97,413.89 |
| **Number of equity shares outstanding at the end of the year** | **39,98,11,391** | **3998113.91** |

**(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 reco 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. Tl 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 Ge

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 distr 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 30 Sep 2021 | |
|---|---|---|
| | **No. of shares** | **% holding** |
| JV Holding Private Limited | 36,74,28,509 | 91.90% |
| Aditya Virwani | 1,02,50,000 | 2.56% |
| Karan Virwani | 1,02,50,000 | 2.56% |
| Neel Virwani | 1,02,50,000 | 2.56% |
| Others | 16,32,882 | 0.41% |
| | **39,98,11,391** | **99.99%** |

**(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.

**20 Borrowings - non current**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Debentures** | |
| **Unsecured:** | |
| Optionally convertible debentures of ₹.100 each (Refer note (i)) | 28,58,070.00 |
| Non Convertible Debentures of ₹.10000000 each (Refer note (ii) | 95,45,099.25 |
| Non Convertible Debentures of ₹.10 each (Refer note (ii) | - |
| **Term Loans** | |
| from banks (Refer note (i)) | 1,70,79,765.03 |
| **Vehicle Loan** | |
| from financial institution (Refer note (ii)) | 28,414.95 |
| from banks (Refer note (ii)) | 14,916.02 |
| | **2,95,26,265.25** |

**21 Other financial liabilities**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Retention money towards project cost | 3,27,453.51 |
| | **3,27,453.51** |

**22 Provisions**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Provision for employee benefits | 24,031.32 |
| | **24,031.32** |

**23 Other non current liabilities**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Deferred guarantee income | - |
| | **-** |

**24 Borrowings -current**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured** | |
| Intercorporate deposit | |
| -From related parties | 1,06,41,618.01 |
| Term Loan | |
| - to banks | 57,55,940.53 |
| | **1,63,97,558.53** |

**25 Trade payables**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Trade payables to MSME | - |
| Trade payables to other than MSME | 17,01,717.37 |
| | **17,01,717.37** |

**26 Other financial liabilities**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Current maturities of long-term debt (Refer note 20) | - |
| Interest accrued but not due | |
| - on debentures | - |
| Accrued payroll | 12,946.86 |
| Book overdraft | 7,874.91 |
| Interest accrued and due on term loan | |
| - to financial institution | - |
| Interest accrued but not due on debentures | 2,99,895.43 |
| Provision for onerous contracts | 65,757.67 |
| Lease Deposits | 5,540.00 |
| Provision for expenses | 3,64,022.42 |
| Payable for purchase of stake/investment | |
| - to related parties | 1,699.98 |
| Current Account balance with Partnership firm (Grove Ventures & EIMS LLP) | 1,28,258.67 |
| Other payables | 87,82,252.49 |
| | **96,68,248.43** |

**27 Provisions**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Provision for employee benefits | 2,980.00 |
| | **2,980.00** |

**28 Other non-financial liabilities**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Advance received from customers | 19,163.21 |
| Deferred revenue | 1,75,78,834.58 |
| Statutory dues | 93,627.84 |
| Deferred guarantee income | - |
| | **1,76,91,625.63** |

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### 29 Revenue from operations

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Proceeds from sale of land and properties under construction | 8,27,870.07 |
| Other operating income | 13,488.26 |
| Facility rental | 7,482.23 |
| | **8,48,840.56** |

### 30 Other income

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| **Interest income** | |
| - from banks | 12,672.51 |
| - from others | 21,519.05 |
| - from income tax | - |
| | |
| Fair value gain on financial instruments | - |
| **Other non-operating income** | |
| Foreign exchange gain,net | |
| Profit on sale of investments | 1,44,750.43 |
| Guarantee fee income | - |
| Dividend Income | 2,45,450.31 |
| Share of profits from investment in partnership firms | - |
| Miscellaneous income | - |
| | **4,24,392.30** |

### 31 Land,material and contract cost

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Land, material and contract cost | 7,63,086.47 |
| | **7,63,086.47** |

### 32 Employee benefits expense

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Salaries,wages and other benefits | 95,090.93 |
| Contribution to provident and other funds | 4,375.65 |
| Gratuity Expense | 2,500.00 |
| Staff welfare expenses | 242.00 |
| | **1,02,208.58** |

### 33 Finance cost

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Interest expense | |
| - term loan | 10,30,155.50 |
| - debentures | 3,04,777.63 |
| - on vehicle loan from financial institutions | - |
| - on vehicle loan from banks | - |
| - on others | 4,56,218.43 |
| - debentures (refer note 20) | - |
| Corporate Guarantee Fee | 21,617.94 |
| | **18,12,769.49** |

**34 Depreciation and amortization**

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Depreciation of property, plant and equipment (refer note 4) | 18,019.86 |
| | **18,019.86** |

**35 Other expenses**

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Brokerage and commission | 31,212.31 |
| Legal and professional fees (refer note 55) | 66,436.43 |
| Provision for Onerous Contract | 23,722.20 |
| Advertisement expenses | 20.18 |
| Business promotion expenses | 4,920.63 |
| Rates and taxes | 39,199.48 |
| Rent | 80.13 |
| Software and internet usage charges | 21,093.64 |
| Franking charges | 2,381.45 |
| Foreign exchange loss,net | 53.33 |
| Repairs and maintenance | 1,23,065.29 |
| Travel and conveyance expenses | 1,848.01 |
| Transportation charges | 40.00 |
| Bank charges | 346.42 |
| Office maintenance | 889.00 |
| Interest on TDS/GST | 297.35 |
| Power & Fuel | 9,521.02 |
| Fair value gain or loss on financial instruments | 74,340.00 |
| Miscellaneous expenses | 14,108.36 |
| | **4,13,575.24** |

**Nam Estates Private Limited**
**CIN:U85110KA1995PTC017950**
**Consolidated balance sheet as at September 30, 2021**
(all amounts in ₹ thousands unless otherwise stated)

| | Notes | As at 30 Sep 2021 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 4 | 51,231.00 |
| Investment property | 5 | 1,47,74,960.31 |
| Investment property under development | 6 | 61,79,671.86 |
| Goodwill on consolidation | | 6,17,347.12 |
| Investment in joint ventures and associates | 7 (a) | 14,93,148.52 |
| Financial assets | | |
| Other Investments | 7 (b) | 94,64,286.00 |
| Loans | 8 | 50,540.65 |
| Other financial assets | 9 | 11,77,415.14 |
| Non-current tax assets (net) | 10 | 77,163.86 |
| Other non-current assets | 11 | 3,44,83,067.15 |
| **Total non-current assets** | | **6,83,68,831.62** |
| **Current assets** | | |
| Inventories | 12 | 3,64,32,372.45 |
| Financial assets | | |
| Trade receivables | 13 | 42,84,916.38 |
| Cash and cash equivalents | 14 | 36,21,237.97 |
| Bank balances other than cash and cash equivalent | 15 | 12,77,526.48 |
| Loans | 16 | 12,49,516.76 |
| Other financial assets | 17 | 6,26,491.18 |
| Other current assets | 18 | 12,66,074.62 |
| **Total current assets** | | **4,87,58,135.84** |
| Assets held for sale | | - |
| **Total assets** | | **11,71,26,967.47** |
| **EQUITY AND LIABILITIES** | | |
| **Equity** | | |
| Equity share capital | 19 | 39,98,113.91 |
| Other equity | 20 | 1,01,89,392.61 |
| Non-controlling interest | | 64,26,258.69 |
| **Total equity** | | **2,06,13,765.21** |
| **Non-current liabilities** | | |
| Financial liabilities | | |
| Borrowings | 21 | 4,27,79,534.38 |
| Other financial liabilities | 22 | 4,27,961.22 |
| Provisions | 23 | 24,031.32 |
| Other non current liabilities | 24 | 289.00 |
| **Total non-current liabilities** | | **4,32,31,815.92** |
| **Current liabilities** | | |
| Financial liabilities | | |
| Borrowings | 25 | 85,88,468.58 |
| Trade Payables | | |
| Dues to micro, small and medium enterprises | 26 | - |
| Dues to parties other than micro, small and medium enterprises | 26 | 20,35,282.98 |
| Other financial liabilities | 27 | 2,39,55,284.31 |
| Provisions | 28 | 2,980.00 |
| Other non financial liabilities | 29 | 1,86,99,370.46 |
| **Total current liabilities** | | **5,32,81,386.33** |
| **Total liabilities** | | **9,65,13,202.25** |
| **Total equity and liabilities** | | **11,71,26,967.47** |

**for and on behalf of the Board of Directors of**
**Nam Estates Private Limited**

PANDITHACHOLANALLUR RAMAKRISHNAN RAJAGOPALAN
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Date: 2022.01.04 15:59:02 +05'30'

RAJESH RAMCHAND BAJAJ
Digitally signed by RAJESH RAMCHAND BAJAJ
Date: 2022.01.04 16:00:43 +05'30'

| | |
|---|---|
| **P R Ramakrishnan** | **Rajesh Bajaj** |
| Director | Director |
| DIN: 00055416 | DIN: 00738227 |
| Place: Bengaluru | Place: Bengaluru |

**Nam Estates Private Limited**
**CIN:U85110KA1995PTC017950**
**Consolidated statement of profit and loss for the period ended September 30, 2021**
(all amounts in ₹ thousands unless otherwise stated)

| | Notes | Period ended Sep 30, 2021 |
|---|---|---|
| **Income** | | |
| Revenue from operations | 30 | 10,67,153.35 |
| Other income | 31 | 40,309.76 |
| **Total income** | | **11,07,463.10** |
| | | |
| **Expenses** | | |
| Land, material and contract cost | 32 | 9,69,748.79 |
| Employee benefit expense | 33 | 1,02,208.58 |
| Other expenses | 36 | 4,49,348.48 |
| | | **15,21,305.86** |
| | | |
| **Earnings before finance costs, depreciation, amortization and tax** | | **(4,13,842.75)** |
| | | |
| Finance costs | 34 | 24,54,171.96 |
| Depreciation and amortization | 35 | 18,627.04 |
| **Profit/(loss) before tax** | | **(28,86,641.76)** |
| | | |
| **Tax expense:** | | |
| Current tax | 39 | - |
| Tax adjustments relating to previous year | 39 | (3,162.90) |
| Deferred tax | 39 | (93,805.06) |
| | | |
| **Profit/ (loss) for the year** | | **(27,89,673.79)** |
| | | |
| **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 | | 43,37,797.75 |
| Income tax relating to items that will not be reclassified subsequent to profit or loss | | - |
| **Other comprehensive income for the year, net of tax** | | **43,37,797.75** |
| | | |
| **Total comprehensive income/ (loss) for the year** | | **15,48,123.96** |

**for and on behalf of the Board of Directors of**
**Nam Estates Private Limited**

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Date: 2022.01.04 15:59:38 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru

RAJESH RAMCHAND BAJAJ
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Date: 2022.01.04 16:01:11 +05'30'

**Rajesh Bajaj**
Director
DIN: 00738227

Place: Bengaluru

**Nam Estates Private Limited**
**CIN:U85110KA1995PTC017950**
**Consolidated statement of changes in equity as at September 30, 2021**
(all amounts in ₹ thousands unless otherwise stated)

**A. Equity share capital**

| Particulars | |
|---|---|
| **Balance as at 1 April 2021** | **700.02** |
| Add: issued during the year | 39,97,413.89 |
| **Balance as at Sep 30, 2021** | **39,98,113.91** |

**B. Other equity**

| Particulars | Reserves and surplus | | | Other equity | Total other equity |
|---|---|---|---|---|---|
| | Corporate guarantee premium | Capital reserve* | Retained earnings | | |
| **Balance as at April 1, 2021** | 8,654.76 | 24,65,723.65 | (37,28,178.52) | (80,257.44) | (13,34,057.55) |
| Transfer from EPDPL (Demerger) | | - | (20,26,571.43) | - | (20,26,571.43) |
| Transactions recorded directly in equity | | | | | - |
| - Equity portion of corporate guarantee | | - | - | 2,11,796.99 | 2,11,796.99 |
| - Debentures issued to OMR | | - | - | 6,82,241.90 | 6,82,241.90 |
| - Capital reserve generated due to de-merger | | 83,35,164.31 | - | - | 83,35,164.31 |
| - Capital reserve on BTA | | 27,72,694.44 | - | - | 27,72,694.44 |
| Loss for the year | | - | 15,48,123.96 | - | 15,48,123.96 |
| **Balance as at Sep 30, 2021** | **8,654.76** | **1,35,73,582.40** | **(42,06,626.00)** | **8,13,781.45** | **1,01,89,392.61** |

**for and on behalf of the Board of Directors of**
**Nam Estates Private Limited**

PANDITHACHOL ANALLUR RAMAKRISHNAN RAJAGOPALAN
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RAJESH RAMCHAND BAJAJ
Digitally signed by RAJESH RAMCHAND BAJAJ
Date: 2022.01.04 16:01:28 +05'30'

**P R Ramakrishnan**
Director
DIN: 00055416

Place: Bengaluru

**Rajesh Bajaj**
Director
DIN: 00738227

Place: Bengaluru

**4 Property, plant and equipment**
**Reconciliation of carrying amount for the period ended 30 Sep 2021**

| Particulars | Tangible, owned | | | | |
|---|---|---|---|---|---|
| | Office Equipments | Furniture and fixtures | Vehicles | Computers | Total |
| **Gross Block (Cost or deemed cost)** | | | | | |
| **Balance as at April 1, 2021** | - | 3.80 | 51,359.72 | 731.45 | 52,094.97 |
| Acquired as part of demerger | 45.00 | 203.79 | - | - | 248.79 |
| Additions | - | - | 1,133.67 | 1,747.12 | 2,880.79 |
| Deletions | - | - | - | - | - |
| **Balance as at Sep 30, 2021** | **45.00** | **207.59** | **52,493.39** | **2,478.57** | **55,224.54** |
| | | | | | |
| **Balance as at April 1, 2021** | - | 3.80 | 1,111.09 | 104.50 | 1,219.38 |
| Acquired as part of demerger | 21.75 | 49.25 | - | - | 71.00 |
| Charge for the year | 4.53 | 10.21 | 3,911.64 | 314.00 | 4,240.38 |
| **Balance as at Sep 30, 2021** | **26.28** | **63.26** | **5,022.72** | **418.50** | **5,530.76** |
| | | | | | |
| **Carrying amounts (net):** | | | | | |
| **Balance as at Sep 30, 2021** | **18.72** | **144.33** | **47,470.67** | **2,060.07** | **49,693.78** |

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**Nam Estates Private Limited**
**CIN:U85110KA1995PTC017950**
**Notes to consolidated financial statements for the period ended Sep 30, 2021 (continued)**
(all amounts in ₹ thousands unless otherwise stated)

**5 Investment property**
**Reconciliation of carrying amount for the year ended 30 Sep 2021**

| Particulars | Building | Plant & Machinery | Electrical Equipments | Office Equipments | Furniture and fixtures | Computers | Freehold land | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| **Balance as at 1 April 2021** | 2,73,861.95 | 63,142.00 | 87,884.73 | 79.39 | 89,305.85 | 187.80 | 1,43,76,685.83 | 1,48,91,147.54 |
| Acquired as part of demerger | | | | | | | | |
| Impairment | | | | | | | | |
| Disposal/Other Adjustments | - | - | - | - | - | - | - | - |
| **Balance as at 30 Sep 2021** | **2,73,861.95** | **63,142.00** | **87,884.73** | **79.39** | **89,305.85** | **187.80** | **1,43,76,685.83** | **1,48,91,147.54** |
| **Accumulated depreciation** | | | | | | | | |
| **Balance as at 1 April 2021** | **22,578.57** | **14,826.70** | **31,252.41** | **35.95** | **32,945.22** | **161.72** | **-** | 1,01,800.57 |
| Charge for the year | 3,161.71 | 2,102.42 | 4,402.83 | 8.65 | 4,704.41 | 26.08 | - | 14,406.10 |
| Impairment adjustment | (19.43) | - | - | - | - | - | - | (19.43) |
| **Balance as at 30 Sep 2021** | **25,720.85** | **16,929.12** | **35,655.24** | **44.60** | **37,649.63** | **187.80** | **-** | **1,16,187.23** |
| | | | **3911.636123** | **4.53** | **10.20948** | **314.00165** | | |
| **Carrying amounts (net):** | | | | | | | | |
| As at 30 Sep 2021 | 2,48,141.10 | 46,212.88 | 52,229.49 | 34.79 | 51,656.22 | - | 1,43,76,685.83 | 1,47,74,960.31 |

| Fair values: | ₹ in thousands |
|---|---|
| As at 30 Sep 2021 | 70,26,230 |

**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 period ended Sep 31, 2021 | For the year ended March 31, 2021 |
|---|---|---|
| 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) | 228.97 | 876.96 |
| Profit/(loss) arising from investment properties before depreciation and indirect expenses | (228.97) | (876.96) |
| Less: Depreciation | - | - |
| **Loss Arising from Investment Properties before indirect expenses** | **(228.97)** | **(876.96)** |

**(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

The Company has used "Direct Comparison" method approach for assessing the fair value of the property as on 30 September 2021.

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.

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.

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.

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**6 Investment property under development**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Investment property under development (refer note (i) below) | 61,79,671.86 |
| | **61,79,671.86** |

**7 Non current investments**

**7 (a) Investments in joint venture and associates**

| Particulars | Face value per share | Numbers | As at 30 Sep 2021 |
|---|---|---|---|
| **Unquoted** | | | |
| **Investment in joint venture** | | | |
| Embassy One Developers Private Limited - Class A equity shares | 10.00 | 5,97,27,280 | 7,34,212.44 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series A | 10.00 | 5,93,87,000 | 2,65,834.10 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series B | 10.00 | 5,25,70,000 | 2,35,319.16 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series C | 10.00 | 3,00,90,000 | 1,34,691.91 |
| Embassy One Developers Private Limited - Compulsorily convertible debentures - Series F | 10.00 | 1,64,18,001 | 73,491.92 |
| **Investment in partnership firm / LLP** | | | |
| Embassy Investment MGT Services LLP | - | - | 49,599.00 |
| Grove Ventures | - | - | - |
| | | | **14,93,148.52** |

| | |
|---|---|
| Aggregate amount of quoted investment | - |
| Aggregate amount of unquoted investments | 14,93,148.52 |
| Aggregate amount of impairment in value of investments | - |
| Investment carried at cost | 14,93,148.52 |
| Investment carried at amortised cost | - |
| Investment carried at Fair value through Other Comprehensive Income | - |
| Investment carried at Fair value through Statement of Profit & Loss | - |

**7 (b) Other investments**

| Particulars | Face value per share | Numbers | As at 30 Sep 2021 |
|---|---|---|---|
| **Quoted** | | | |
| **Investments carried at fair value through other comprehensive income** | | | |
| Investments in equity instruments | | | |
| Indiabulls Real Estate Limited | 2 | 6,30,95,240 | 94,64,286.00 |
| | | | **94,64,286.00** |

| | |
|---|---|
| Aggregate amount of quoted investment | 94,64,286.00 |
| 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 | 94,64,286.00 |
| Investment carried at Fair value through Statement of Profit & Loss | - |

**8 Non-current loans**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured, considered good** | |
| Security deposits | |
| Others | 46,577.67 |
| Inter corporate deposit to related party | - |
| Loans to employees | 3,962.99 |
| | **50,540.65** |

**9 Other Financial assets**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Refundable security deposit for joint development project | 10,50,000.00 |
| Interest accrued but not due on fixed Deposits | 115.14 |
| Fixed deposits with banks | 1,27,300.00 |
| | **11,77,415.14** |

**10 Non-current tax assets (net)**

| Particulars | As at 31 March 2021 |
|---|---|
| Advance tax, net of provision for tax | 77,163.86 |
| | **77,163.86** |

**11 Other non-current assets**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Capital advances: Advances paid for purchase of land | 3,44,78,511.71 |
| Prepayments | 4,555.44 |
| | **3,44,83,067.15** |

**12 Inventories(valued at lower of cost and net realizable value)**

| Particulars | As at 30 Sep 2021 |
|---|---|
| Cost of land, infrastructure development and stock of constructed properties | 3,39,52,130.77 |
| Rights in plots | 24,80,241.68 |
| | **3,64,32,372.45** |

**13 Trade receivables**

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured** | |
| Considered good | 42,92,222.28 |
| Having significant increase in credit risk | - |
| Credit impaired | - |
| | **42,92,222.28** |
| Less: Allowance for impairment loss | (7,305.89) |
| | **42,84,916.38** |

Of the above trade receivables from related parties are as below:

| Particulars | As at 30 Sep 2021 |
|---|---|
| Trade receivables considered good - unsecured | 14,514.40 |
| Loss allowance | - |
| | **14,514.40** |

## 14 Cash and cash equivalents

| Particulars | As at 30 Sep 2021 |
|---|---|
| Balances with banks | |
| - in current accounts | 44,536.73 |
| - in escrow account (Refer note (i) below) | 31,48,008.57 |
| **Other bank balances** | |
| - in fixed deposit accounts with banks (remaining maturity less than 3 months) | 4,28,692.66 |
| | **36,21,237.97** |

## 15 Bank balances other than cash and cash equivalents

| | |
|---|---|
| Deposits with | |
| - Remaining maturity more than three months but less than twelve months | 12,77,526.48 |
| | **12,77,526.48** |

## 16 Loans

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured, considered good** | |
| Inter corporate deposit to related party (refer note 45)* | 11,94,784.23 |
| Inter corporate deposit to others | 25,200.00 |
| Current Account balance with Partnership firm (Grove Ventures & EIMS LLP) | 26,545.30 |
| Loans to employees | 2,987.24 |
| | **12,49,516.76** |

## 17 Other financial assets

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Unsecured, considered good** | |
| Interest accrued but not due on | |
| - fixed deposits | 15,247.17 |
| - Intercorporate deposits to related party (refer note 45)* | 13,493.18 |
| - Intercorporate deposits to others (refer note ) | 7,430.42 |
| Refundable security deposit for joint development project | 2,69,181.99 |
| Recoverable advance to employees | 3,556.57 |
| Receivable on account of slump sale | 3,03,440.40 |
| Other receivable from related parties (Refer note 44) | 12,495.97 |
| Other receivable from others | 1,645.48 |
| | **6,26,491.18** |

## 18 Other current assets

| Particulars | As at 30 Sep 2021 |
|---|---|
| Unbilled Revenue | 13,498.09 |
| Prepayments | 62,480.52 |
| Advance for supply of goods and rendering of services | 5,59,291.09 |
| Balance with government authorities | 6,30,804.91 |
| | **12,66,074.62** |

## 19 Equity share capital

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Authorised** | |
| 920,270,000 (March 31, 2021: 200,000) equity shares of Rs 10 each | 92,02,700.00 |
| **Issued, subscribed and paid up** | |
| 399,811,391 (March 31, 2021: 70,002) equity shares of Rs 10 each, fully paid up | 39,98,113.91 |
| | **39,98,113.91** |

**(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 30 Sep 2021 | |
|---|---|---|
| | **No of shares** | **Amount** |
| Number of equity shares outstanding at the beginning of the year | 70,002 | 700.02 |
| Number of equity shares issued during the year | 39,97,41,389 | 39,97,413.89 |
| **Number of equity shares outstanding at the end of the year** | **39,98,11,391** | **39,98,114** |

**(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 30 Sep 2021 | |
|---|---|---|
| | **No. of shares** | **% holding** |
| JV Holding Private Limited | 36,74,28,509 | 91.90% |
| Aditya Virwani | 1,02,50,000 | 2.56% |
| Karan Virwani | 1,02,50,000 | 2.56% |
| Neel Virwani | 1,02,50,000 | 2.56% |
| Others | 16,32,882 | 0.41% |
| | **39,98,11,391** | **99.99%** |

**(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.

(This space has been left blank intentionally)

## 20 Other equity

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Capital reserve** | |
| At the commencement of the year | (6,52,223.80) |
| Add: Additions during the year | - |
| **At the end of the year** | **(6,52,223.80)** |
| **Retained earnings** | |
| At the commencement of the year | (58,52,415.83) |
| Add: Net (loss) for the year | 15,48,123.96 |
| **At the end of the year** | **(43,04,291.88)** |
| **Equity portion of Interest free loans** | |
| At the commencement of the year | (2,64,674.11) |
| Add: Additions during the year | - |
| **At the end of the year** | **(2,64,674.11)** |
| **Equity portion of Corporate guarantee** | |
| At the commencement of the year | (28,797.01) |
| Add: Additions during the year | - |
| **At the end of the year** | **(28,797.01)** |
| | **(52,49,986.80)** |

## 21 Borrowings - non current

| Particulars | As at 30 Sep 2021 |
|---|---|
| **Debentures** | |
| **Unsecured:** | |
| Optionally convertible debentures of ₹.100 each | 28,58,070.00 |
| Non Convertible Debentures of ₹.10000000 each | 96,91,958.96 |
| Non Convertible Debentures of ₹.10 each | 1,86,803.89 |
| **Term Loans** | |
| from banks and financial institutions and others | 2,99,99,370.55 |
| **Vehicle Loan** | |
| from financial institution | 28,414.95 |
| from banks | 14,916.02 |
| | **4,27,79,534.38** |

## 22 Other financial liabilities

| Particulars | As at 30 Sep 2021 |
|---|---|
| Retention money towards project cost | 3,61,928.32 |
| Other payables | 66,032.90 |
| | **4,27,961.22** |

## 23 Provisions

| Particulars | As at 30 Sep 2021 |
|---|---|
| Provision for employee benefits | 24,031.32 |
| | **24,031.32** |

**24 Other non current liabilities**

| **Particulars** | **As at 30 Sep 2021** |
|---|---|
| Deferred guarantee income* | 289.00 |
| | **289.00** |

**25 Borrowings -current**

| **Particulars** | **As at 30 Sep 2021** |
|---|---|
| **Unsecured** | |
| Intercorporate deposit | |
| -From related parties | 28,32,528.06 |
| Term Loan | |
| - to banks | 57,55,940.53 |
| Preference shares | - |
| | **85,88,468.58** |

**26 Trade payables**

| **Particulars** | **As at 30 Sep 2021** |
|---|---|
| Trade payables to MSME | - |
| Trade payables to other than MSME | 20,35,282.98 |
| | **20,35,282.98** |

**27 Other financial liabilities**

| **Particulars** | **As at 30 Sep 2021** |
|---|---|
| Current maturities of long-term debt | 1,25,61,400.00 |
| Accrued payroll | 12,946.86 |
| Book overdraft | 1,20,147.89 |
| Interest accrued and due on term loan | |
| - to financial institution | 72,574.16 |
| Interest accrued but not due on debentures/others | 18,31,881.25 |
| Provision for onerous contracts | 69,586.56 |
| Lease Deposits | 5,540.00 |
| Provision for expenses | 3,85,308.92 |
| Payable for purchase of stake/investment | |
| - to related parties | 1,799.97 |
| Current Account balance with Partnership firm (Grove Ventures & EIMS LLP) | - |
| Other payables | 88,94,098.70 |
| | **2,39,55,284.31** |

**28 Provisions**

| **Particulars** | **As at 30 Sep 2021** |
|---|---|
| Provision for employee benefits | 2,980.00 |
| | **2,980.00** |

**29 Other non-financial liabilities**

| **Particulars** | **As at 30 Sep 2021** |
|---|---|
| Advance received from customers | 36,377.99 |
| Advance received for sub-lease of land | - |
| Deferred revenue | 1,85,27,735.37 |
| Statutory dues | 1,35,257.10 |
| Deferred guarantee income* | - |
| | **1,86,99,370.46** |

## 30 Revenue from operations

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Proceeds from sale of land and properties under construction | 10,34,880.96 |
| Other operating income | 24,540.16 |
| Facility rental | 7,732.23 |
| | **10,67,153.35** |

## 31 Other income

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| **Interest income** | |
| - from banks | 17,847.91 |
| - from others | 21,519.05 |
| - from income tax | 80.06 |
| **Other non-operating income** | |
| Guarantee fee income | 862.74 |
| | **40,309.76** |

## 32 Land,material and contract cost

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Land, material and contract cost | 9,69,748.79 |
| | **9,69,748.79** |

## 33 Employee benefits expense

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Salaries,wages and other benefits | 95,090.93 |
| Contribution to provident and other funds | 4,375.65 |
| Gratuity Expense | 2,500.00 |
| Staff welfare expenses | 242.00 |
| | **1,02,208.58** |

## 34 Finance cost

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Interest expense | |
| - term loan | 15,60,345.33 |
| - debentures | 3,92,168.65 |
| - on others | 4,77,525.80 |
| Corporate Guarantee Fee | 24,132.17 |
| Other borrowing costs | |
| | **24,54,171.96** |

## 35 Depreciation and amortization

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Depreciation of property, plant and equipment (refer note 4) | 18,627.05 |
| | **18,627.04** |

## 36 Other expenses

| Particulars | Period ended 30 Sep 2021 |
|---|---|
| Brokerage and commission | 36,064.53 |
| Legal and professional fees (refer note 56) | 74,606.74 |
| Provision for Onerous Contract | 23,722.20 |
| Advertisement expenses | 270.98 |
| Business promotion expenses | 4,920.63 |
| Rates and taxes | 40,170.95 |
| Rent | 80.13 |
| Software and internet usage charges | 21,399.91 |
| Franking charges | 2,381.45 |
| Foreign exchange loss,net | 60.48 |
| Repairs and maintenance | 1,42,741.18 |
| Travel and conveyance expenses | 1,848.01 |
| Transportation charges | 40.00 |
| Bank charges | 346.42 |
| Office maintenance | 889.00 |
| Interest on TDS/GST | 356.26 |
| Power & Fuel | 9,910.41 |
| Fair value gain or loss on financial instruments | 74,340.00 |
| Miscellaneous expenses | 15,199.21 |
| | **4,49,348.51** |

**Embassy One Commercial Property Developments Private Limited**
**Balance sheet as at September 30, 2021**

(Rs. in thousands)

| Particulars | Note | September 30, 2021 | March 31, 2021 |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Financial assets | | | |
| - Cash and cash equivalents | 3 | - | - |
| - Trade receivables | 4 | 21,247.50 | 11,051.64 |
| Other non-financial assets | 5 | 1,841.36 | 1,841.35 |
| Total current assets | | 23,088.86 | 12,892.99 |
| | | | |
| **Total assets** | | **23,088.86** | **12,892.99** |
| | | | |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Equity share capital | 6 | 100.00 | 100.00 |
| Other equity | 7 | (327.74) | (319.79) |
| Total equity | | (227.74) | (219.79) |
| | | | |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Trade payables | | | |
| Total outstanding dues to micro enterprises and small enterprises | 8 | 30.94 | 30.94 |
| Total outstanding dues to creditors other than micro enterprises and small enterprises | | 23,285.66 | 11,279.90 |
| Other non-financial liabilities | 9 | - | 1,801.94 |
| Total current liabilities | | 23,316.60 | 13,112.78 |
| | | | |
| **Total equity and liabilities** | | **23,088.86** | **12,892.99** |

Summary of significant accounting policies (refer note 2)
The accompanying notes are an integral part of the financial statements.

**For and on behalf of the board of directors of**
**Embassy One Commercial Property Developments Private Limited**

NARPAT SINGH CHORARIA Digitally signed by NARPAT SINGH CHORARIA Date: 2021.12.22 11:04:34 +05'30'

**Narpat Singh Choraria**
Director
DIN: 00027580

**Place : Bengaluru**
**Date : December 22, 2021**

SHAINA GANAPATHY Digitally signed by SHAINA GANAPATHY Date: 2021.12.22 11:00:29 +05'30'

**Shaina Ganapathy**
Director
DIN: 001777973

**Place : Bengaluru**
**Date : December 22, 2021**

**Embassy One Commercial Property Developments Private Limited**
**Statement of profit and loss for the period ended September 30, 2021**

(Rs. in thousands)

| Particulars | Note | September 30, 2021 | March 31, 2021 |
|---|---|---|---|
| **Revenue from operations** | 10 | 10,195.88 | 9,486.38 |
| **Expenses** | | | |
| Maintenance expenses | 11 | 10,148.68 | 9,439.19 |
| Other expenses | 12 | 55.15 | 125.52 |
| **Total expenses** | | **10,203.83** | **9,564.71** |
| **Profit/(loss) before tax** | | **(7.95)** | **(78.33)** |
| **Tax expense** | | | |
| Current tax | | - | - |
| **Profit/(loss) for the year** | | **(7.95)** | **(78.33)** |
| **Other comprehensive income (OCI)** | | | |
| - Profit/(loss) for the year | | (7.95) | (78.33) |
| - Not to be reclassified to statement of profit and loss in subsequent periods | | - | - |
| **Total comprehensive income for the period** | | **(7.95)** | **(78.33)** |
| **Earning per share (equity shares, par value of Rs. 10 each)** | | | |
| Basic and diluted (Rs.) | | **(0.80)** | **(7.83)** |

Summary of significant accounting policies (refer note 2)
The accompanying notes are an integral part of the financial statements.

**For and on behalf of the board of directors of**
**Embassy One Commercial Property Developments Private Limited**

NARPAT SINGH CHORARIA Digitally signed by NARPAT SINGH CHORARIA Date: 2021.12.22 11:04:14 +05'30'

**Narpat Singh Choraria**
Director
DIN: 00027580

**Place : Bengaluru**
**Date : December 22, 2021**

SHAINA GANAPATHY Digitally signed by SHAINA GANAPATHY Date: 2021.12.22 11:00:52 +05'30'

**Shaina Ganapathy**
Director
DIN: 001777973

**Place : Bengaluru**
**Date : December 22, 2021**

**Embassy One Commercial Property Developments Private Limited**
**Cash flow statement for the period ended September 30, 2021**

(Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| **Cash flow from operating activities:** | | |
| **Profit / (loss) before tax** | **(7.95)** | **(78.33)** |
| **Adjustments:** | | |
| - Time value adjustment - preference shares | - | - |
| **Operating cash flow before working capital changes** | **(7.95)** | **(78.33)** |
| Changes in | | |
| - Increase / (decrease) in trade payable | 12,005.75 | 11,052.80 |
| - Increase / (decrease) in other non-financial liabilities | (1,801.94) | 1,800.85 |
| - (Increase) / decrease in trade receivable | (10,195.86) | (11,051.64) |
| - (Increase) / decrease in other non-financial assets | - | (1,699.06) |
| **Cash (used in)/ generated from operations** | **-** | **24.62** |
| - Direct taxes paid (net of refunds) | - | (142.30) |
| **Net cash generated /(used in) operating activities** | **-** | **(117.68)** |
| **Net Cash (used in) Investing Activities** | **-** | **-** |
| **Net cash generated from financing activities** | **-** | **-** |
| Net (decrease)/ increase in cash and cash equivalents | **-** | **(117.68)** |
| Cash and cash equivalents at the beginning of the period | **-** | **117.68** |
| **Cash and cash equivalents at the end of the year (refer note 3)** | **-** | **-** |

Summary of significant accounting policies (refer note 2)
The accompanying notes are an integral part of the financial statements.

**For and on behalf of the board of directors of**
**Embassy One Commercial Property Developments Private Limited**

NARPAT SINGH CHORARIA Digitally signed by NARPAT SINGH CHORARIA Date: 2021.12.22 11:03:55 +05'30'

**Narpat Singh Choraria**
Director
DIN: 00027580

**Place : Bengaluru**
**Date : December 22, 2021**

SHAINA GANAPATHY Digitally signed by SHAINA GANAPATHY Date: 2021.12.22 11:01:11 +05'30'

**Shaina Ganapathy**
Director
DIN: 001777973

**Place : Bengaluru**
**Date : December 22, 2021**

**Embassy One Commercial Property Developments Private Limited**
**Statement of changes in equity for the period ended September 30, 2021**

**A. Equity share capital** **(Rs. in thousands)**

| Particulars | Amount |
|---|---|
| **Balance as at April 1, 2020** | **100.00** |
| Changes during the year | - |
| **Balance as at March 31, 2021** | **100.00** |
| Changes during the period | - |
| **Balance as at September 30, 2021** | **100.00** |

**B. Other equity** **(Rs. in thousands)**

| Particulars | Reserves and Surplus | Total other equity |
|---|---|---|
| | Retained earnings | |
| **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)** |
| Profit/(loss) for the period | (7.95) | (7.95) |
| **Balance as at September 30, 2021** | **(327.74)** | **(327.74)** |

**For and on behalf of the board of directors of**
**Embassy One Commercial Property Developments Private Limited**

NARPAT SINGH CHORARIA Digitally signed by NARPAT SINGH CHORARIA Date: 2021.12.22 11:03:39 +05'30'

**Narpat Singh Choraria**
Director
DIN: 00027580

**Place : Bengaluru**
**Date : December 22, 2021**

SHAINA GANAPATHY Digitally signed by SHAINA GANAPATHY Date: 2021.12.22 11:01:28 +05'30'

**Shaina Ganapathy**
Director
DIN: 001777973

**Place : Bengaluru**
**Date : December 22, 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.

*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.

*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.

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 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 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**

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*

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

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.

**Note 3: Cash and cash equivalents** (Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| Balances with banks | | |
| - In current accounts | - | - |
| | **-** | **-** |

**Note 4: Trade receivables** (Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| Trade receivables | 21,247.50 | 11,051.64 |
| | **21,247.50** | **11,051.64** |

**Note 5: Other non-financial assets** (Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| Balances with government authorities | 1,699.06 | 1,699.06 |
| Advance tax, net of provision for tax | 142.30 | 142.30 |
| | **1,841.36** | **1,841.36** |

**Note 6: Equity share capital** (Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| **Equity share capital** | | |
| **Authorised** | | |
| 10,000 (March 31, 2021 - 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, 2021 - 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 | September 30, 2021 | | March 31, 2021 | |
|---|---|---|---|---|
| | **No. of shares** | **% holding** | **No. of shares** | **% holding** |
| Nam Estates Private Ltd. (Holding Company)* | 9,999 | 99.99% | - | - |
| Embassy Property Developments Pvt. Ltd. | - | - | 9,999 | 99.99% |
| | **9,999** | **99.99%** | **9,999** | **99.99%** |

* During the year ended March 31, 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 August 04, 2021 with the appointed date as April 01, 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. April 01, 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 equity shares outstanding at the beginning and at the end of the year is as given below:**

| Particulars | September 30, 2021 | | March 31, 2021 | |
|---|---|---|---|---|
| | **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.

**Note 7: Other equity** (Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| **Retained earnings (refer note a below)** | | |
| At the beginning of the year | (319.79) | (241.46) |
| Profit/(loss) during the year | (7.95) | (78.33) |
| At the end of the year | (327.74) | (319.79) |
| | **(327.74)** | **(319.79)** |

(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.

**Note 8: Trade payables** (Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| Total outstanding dues to micro enterprises and small enterprises | 30.94 | 30.94 |
| Total outstanding dues to creditors other than micro enterprises and small enterprises | 23,285.66 | 11,279.90 |
| | **23,316.60** | **11,310.84** |

**Note 9: Other non-financial liabilities** (Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| Statutory dues | - | 1,801.94 |
| | **-** | **1,801.94** |

Embassy One Commercial Property Developments Private Limited
Notes to financial statements for the period ended September 30, 2021

(Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| **Note 10: Revenue from operations** | | |
| Common area maintenance | 10,195.88 | 9,486.38 |
| | **10,195.88** | **9,486.38** |
| **Note 11: Maintenance expenses** | | |
| Maintenance charges | 10,148.68 | 9,439.19 |
| | **10,148.68** | **9,439.19** |
| **Note 12: Other expenses** | | |
| Professional fees | 27.50 | 64.29 |
| Audit fees | - | 10.00 |
| Rates and taxes | - | 6.42 |
| Miscellaneous expenses | 27.65 | 44.81 |
| Advertisement charges | - | - |
| | **55.15** | **125.52** |

**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 September 30, 2021 (March 31, 2021 - Nil)

**Note 14:**

**A: Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:**

(Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| **Accounting profit / (loss) before income tax** | (7.95) | (78.33) |
| Tax at the Indian tax rate of 26% (March 31, 2021 - 26%) | (2.07) | (20.37) |
| **Effect of:** | | |
| Deferred tax asset not created on losses | 2.07 | 20.37 |
| 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 | 85.21 | 83.15 |

**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 | September 30, 2021 | March 31, 2021 |
|---|---|---|
| Profit/(loss) for the period for calculating basic and diluted earnings per share (Rs. in thousands) | (7.95) | (78.33) |
| 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 period ended September 30, 2021.

**Embassy One Commercial Property Developments Private Limited**
**Notes to financial statements for the period ended September 30, 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 | Nam Estates Private Limited |
| Entities with which transaction exists | Embassy Services Private Limited<br>Embassy Property Developments Pvt Ltd<br>Lounge Hospitality LLP |

**B. Transactions with Related Parties :**

(Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| **Loan taken/(Reimburesement of expenses)** | | |
| Embassy Property Developments Pvt Ltd | 1,897.52 | 9.28 |
| **Common Area Maintenance Charges** | | |
| Embassy Services Private Limited | 10,148.68 | 9,439.19 |
| **Revenue from operations - common area maintenance services** | | |
| Lounge Hospitality LLP | 10,195.88 | 9,486.38 |

**C. Balances at the end of the year:**

(Rs. in thousands)

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| **Trade payables** | | |
| Embassy Services Private Limited | 20,420.11 | 11,053.85 |
| Embassy Property Developments Private Ltd | 2,118.26 | 220.74 |
| **Trade receivables** | | |
| Lounge Hospitality LLP | 21,247.50 | 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 September 30, 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 September 30, 2021 | Carrying value as at March 31, 2021 |
|---|---|---|
| **Financial assets measured at amortised cost:** | | |
| - Cash and cash equivalents | - | - |
| - Trade receivables | 21,247.50 | 11,051.64 |
| | **21,247.50** | **11,051.64** |
| **Financial liabilities measured at amortised cost:** | | |
| - Trade Payables | 23,316.60 | 11,310.84 |
| | **23,316.60** | **11,310.84** |

The management assessed that the carrying value of the cash and cash equivalents and other current financial liabilities/assets approximate their fair values.

**Note 21: Financial instruments - risk management**

The Company's financial assets majorly comprise of trade receivables.

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)**

| September 30, 2021 | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| - Cash and cash equivalents | - | - | - | - |
| - Trade receivables | 21,247.50 | - | - | 21,247.50 |
| | **21,247.50** | **-** | **-** | **21,247.50** |

| | | | | |
|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | |
| - Trade Payables | 23,316.60 | - | - | 23,316.60 |
| | **23,316.60** | **-** | **-** | **23,316.60** |

**(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** |

Embassy One Commercial Property Developments Private Limited
Notes to financial statements for the period ended September 30, 2021

**Note 22: Auditors' remuneration:** **(Rs. in thousands)**

| Particulars | September 30, 2021 | March 31, 2021 |
|---|---|---|
| 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 | September 30, 2021 | March 31, 2021 |
|---|---|---|
| Borrowings | - | - |
| Net debt | - | - |
| Capital - equity attributable to the equity holders | (227.74) | (219.79) |
| Capital and net debt | **(227.74)** | **(219.79)** |

**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 September 30, 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.

**For and on behalf of the board of directors of**
**Embassy One Commercial Property Developments Private Limited**

NARPAT SINGH CHORARIA Digitally signed by NARPAT SINGH CHORARIA Date: 2021.12.22 11:03:00 +05'30'

**Narpat Singh Choraria**
Director
DIN: 00027580

**Place : Bengaluru**
**Date : December 22, 2021**

SHAINA GANAPATHY Digitally signed by SHAINA GANAPATHY Date: 2021.12.22 11:02:07 +05'30'

**Shaina Ganapathy**
Director
DIN: 001777973

**Place : Bengaluru**
**Date : December 22, 2021**

**FEDEX SECURITIES PVT LTD**
(Formerly Known as Fedex Securities Limited)
MERCHANT BANKING DIVISION

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CIN : U67120MH1996PTC102140

**Date: 04th January, 2022**

**To,**
**Board of Directors,**
**Nam Estates Private Limited,**
1st Floor, Embassy Point, No.150
Infantry Road Bangalore 560001,
Karnataka, India.

**Subject: - Certificate on adequacy and accuracy of disclosure in the format of "Abridged Prospectus" ("Disclosure Document") pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 with respect to the Scheme of Amalgamation between Nam Estates Private Limited ("Amalgamating Company 1"), Embassy One Commercial Property Developments Private Limited ("Amalgamating Company 2") And Indiabulls Real Estate Limited ("Amalgamated Company") and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies act, 2013 and rules framed thereunder (hereinafter refer to as "Scheme").**

Dear Sir/Madam,

We, Fedex Securities Private Limited ***("We" or "Fedex")***, SEBI Registered Category – I, Merchant Banker have been appointed by Amalgamating Company 1 for the purpose of preparing and certifying the adequacy and accuracy of the disclosures made in the Abridged Prospectus / Disclosure Document dated January 04, 2022 of Amalgamating Company 1 in compliance Annexure I, Paragraph 3(a) of SEBI Circular Number CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 ***("SEBI Circulars")*** issued by Securities and Exchange Board of India (SEBI) in relation to the captioned Scheme, state and confirm as follows:

We have relied on the information, undertakings, certifications, documents and explanations provided to us by Amalgamating Company 1, its Directors and its Promoters while finalizing the Abridged Prospectus (Disclosure Document) of the subject captioned;

On the basis of the above, we hereby confirm that:

The information contained in the Disclosure Document is prepared in the format prescribed for Abridged Prospectus provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended, which will be circulated to the Members of Amalgamated Company at the time of seeking their consent in the explanatory statement in the Notice in accordance with the SEBI circular is accurate and adequate.

FEDEX SECURITIES PVT. LTD. MUMBAI

***Report Limitations:***

1. This Certificate is a specific purpose certificate issued in terms of and compliance with SEBI Circulars and hence it should not be used for any other purpose or transaction.
2. We express no opinion and accordingly accepts no responsibility for or as to the price at which the equity shares of the Company will trade following the Scheme.
3. This Certificate contains the certification on adequacy and accuracy of disclosure of information in the Abridged Prospectus (Disclosure Document) pertaining to the unlisted entity, Amalgamating Company 1, and is not an opinion on the proposed Scheme or its success. Further, this certificate does not guarantee the implication/approval of the proposed Scheme.
4. To the extent of our scope of work, we have relied on the information furnished and explanations provided to us and have not carried out our independent audit of the financial and legal information. Hence, we are unable to express our opinion on the fairness of the financial and legal information.
5. We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.

**For Fedex Securities Private Limited**
*(Formerly Known as Fedex Securities Limited)*

**Yash Kadakia**
**Director**
**DIN: 08944355**
**Place: Mumbai**

**THIS IS A DISCLOSURE DOCUMENT ("ABRIDGED PROSPECTUS OR DISCLOSURE DOCUMENT") CONTAINING SALIENT FEATURES OF THE SCHEME OF AMALAGAMATION BETWEEN NAM ESTATES PRIVATE LIMITED ("AMALGAMATING COMPANY 1[1]"), WHICH IS A PARTY TO THE SCHEME OF AMALGAMATION AMONGST THE AMALGAMATING COMPANY 1, EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED ("AMALGAMATING COMPANY 2"), INDIABULLS REAL ESTATE LIMITED ("AMALGAMATED COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER (HEREINAFTER REFERRED TO AS THE "SCHEME"). YOU ARE ENCOURAGED TO READ GREATER DETAILS AVAILABLE IN THE SCHEME.**

**THIS DISCLOSURE DOCUMENT CONSISTS OF 10 (TEN) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

This Disclosure Document is prepared in compliance with the observation letters issued by the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"), dated February 23, 2021 and February 19, 2021, respectively; requirements of paragraph I.A.3(a) of Annexure I to the circular bearing number CFD/DIL3/CIR/2017/21 dated March 10, 2017, paragraph A.3(a) of Part I of the SEBI Master Circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22 December 2020; and Regulation 37 of the Securities and Exchange Board of India ("**SEBI**") pursuant to the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. This document contains disclosures as prescribed in Part E of Schedule VI to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR**"), to the extent applicable.

The equity shares of Indiabulls Real Estate Limited are listed on the BSE and the NSE (hereinafter collectively referred to the "**Stock Exchanges**"). The Scheme envisages (i) the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company; and (ii) the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company; in accordance with Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company.

The equity shares of Amalgamating Company 1 and Amalgamating Company 2 are not listed on any stock exchange in India, however the equity shares, proposed to be issued to the shareholders of Amalgamating Company 1 and Amalgamating Company 2, pursuant to Scheme, shall be listed on the Stock Exchanges.

Nothing in this Disclosure Document constitutes an offer or an invitation by or on behalf of Amalgamating Company 1, Amalgamating Company 2 or Amalgamated Company or their respective shareholders and creditors to subscribe for or purchase any of the securities of Amalgamating Company 1, Amalgamating Company 2 or Amalgamated Company .**This Disclosure Document should be read together with the Scheme and other documents and notice to shareholders of the Amalgamated Company available on the websites of the Amalgamated Company** (www.indiabullsrealestate.com)**, the** BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com).

Capitalised terms not defined herein shall have the meaning ascribed under the Scheme.

EMBASSY

**NAM ESTATES PRIVATE LIMITED**
**CIN: U85110KA1995PTC017950**
**Registered Office:** 1st Floor, Embassy Point, No.150 Infantry Road, Bengaluru 560001, Karnataka, India;

[1] Amalgamating Company 1 includes the subsidiaries and Embassy One Developers Private Limited in which the Amalgamating Company 1 is in the process of acquiring 45% stake



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**Corporate Office:** Pebble Beach, Embassy Golflinks Business Park Off Intermediate Ring Road, Bengaluru 560071, Karnataka, India; **Telephone No.:** +9180 4903 0000; **Fax No.:** +9180 2228 6912;
**E-Mail ID:** secretarialteam@embassyindia.com;
**Website:** www.embassyindia.com ; **Contact Person:** Richa Saxena

**OUR PROMOTERS : Embassy Property Developments Private Limited, JV Holdings Private Limited, Mr. Karan Virwani, Mr. Aditya Virwani, Mr. Neel Virwani, Mr. Jitendra Virwani and OMR Investments LLP**

## SCHEME DETAILS

The proposed Scheme is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder for the:

(i) amalgamation of Amalgamating Company 1 into and with the Amalgamated Company, in accordance with Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company; and

(ii) amalgamation of Amalgamating Company 2 into and with the Amalgamated Company, in accordance with Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company.

The Scheme was approved by the respective boards of directors of each of the Amalgamating Company 1, the Amalgamating Company 2 and the Amalgamated Company on August 18, 2020.

The Scheme was filed with the Competition Commission of India ("**CCI**") on December 3, 2020, and the approval of the CCI has been obtained by way of letter dated February 24, 2021 and certified true copy of the detailed order no.C-2020/12/794 dated March 26, 2021. Further, the BSE and the NSE in their Observation Letters dated February 19, 2021 and February 23, 2021 respectively had suggested certain modifications in the draft Scheme. The revised Scheme, after incorporating these suggested changes, was approved by the Board of Directors of Amalgamating Company 1 on May 22, 2021; by the Board of Directors of Amalgamating Company 2 on May 22, 2021 and by the Board constituted committee of the Amalgamated Company on May 25, 2021.

The Scheme was filed with National Company Law Tribunal, Chandigarh and Bengaluru Benches ("**NCLT**") on August 16, 2021 and on August 13, 2021 respectively. The order for NCLT Bengaluru is awaited. The NCLT Chandigarh Bench has passed an order to conduct the meeting of the Shareholders of the Amalgamated Company on February 12, 2022 at 11:00 AM through video-conferencing. Notice for convening the meeting is being circulated simultaneously.

**Exchange of securities at the Amalgamated Company 1 (pursuant to the Respective Swap Agreements) and the Amalgamated Company 2 (pursuant to the NAM OpCo Swap Agreement)**:

- Upon the Scheme being sanctioned by the NCLT but prior to the Record Date 1 and the Effective Date 1, the NAM Swapping Investors will undertake an exchange of securities held by them in the Specified Companies A for equity shares in the Amalgamating Company 1, and the Specified Companies A will become wholly-owned subsidiaries of Amalgamating Company 1 (and consequently become wholly-owned subsidiaries of the Amalgamated Company on the Effective Date 1 pursuant to the Scheme). The Scheme also provides that in the event such exchange of securities is not undertaken or if for any reason the entire shareholding of the Specified Companies A is not held by the Amalgamating Company 1, then the promoters of Amalgamating Company 1 and/or their affiliates shall acquire the entire shareholding of Specified Companies A and undertake the exchange referred to above such that the Specified Companies A will become wholly-owned subsidiaries of Amalgamated Company pursuant to the Scheme.
- Upon the Scheme being sanctioned by the NCLT but prior to the Record Date 2 and the Effective Date 2, the Third Party Investor 3 will undertake an exchange of securities held by them in the Specified Company B for equity shares in the Amalgamating Company 1, and the Specified Company B will become a wholly-owned subsidiary of the Amalgamated Company 2 (and consequently become a wholly-owned subsidiary of the Amalgamated Company on the Effective Date 2 pursuant to the Scheme).

On the Effective Date 1, 6,619 (Six Thousand Six Hundred and Nineteen) equity shares of the Amalgamated Company of Rs. 2 (Rupees Two only) each will be allotted to the shareholders of the Amalgamating Company 1 for every 10,000 (Ten Thousand) equity shares held in Amalgamating Company 1 of Rs. 10 (Rupees Ten) each. On the Effective Date 2, 5,406 (Five Thousand Four Hundred and Six) equity shares of the Amalgamated Company of Rs. 2 (Rupees Two only) each will be allotted to the shareholders of the Amalgamating Company 2 for every 10,000 (Ten Thousand) equity shares held in the



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Amalgamating Company 2 of Rs. 10 (Rupees Ten) each. Such equity shares of the Amalgamated Company to be issued and allotted pursuant to the Scheme will be listed on the BSE and the NSE subject to necessary applications / compliances by the Amalgamated Company and approvals under the SEBI regulations (as applicable) and from the BSE and the NSE.

Details in relation to the Scheme, the Share Entitlement Ratio in accordance with the Scheme, the Share Exchange Report and fairness opinion are available on the websites of the BSE (www.bseindia.com) and the NSE (www.nseindia.com).

## PROCEDURE:

The procedure with respect to public issue/ offer is not applicable to the Amalgamating Company 1 as the Amalgamating Company 1 is unlisted and there is no public offer of securities. The issue of equity shares of the Amalgamated Company will be made only to the shareholders of the Amalgamating Company 1 and the Amalgamating Company 2, in accordance with the Scheme. Hence, the procedure with respect to General Information Document (GID) is not applicable.

## ELIGIBILITY FOR THE ISSUE

**This document does not constitute an offer to public at large.** There being no initial public offering or rights issue, the eligibility criteria under the ICDR is not applicable.

## INDICATIVE TIMETABLE

This Disclosure Document is being filed pursuant to the Scheme and is not an offer to the public at large. Given that the Scheme is subject to relevant regulatory approvals, including approvals from National Company Law Tribunal, hence the time frame cannot be established with certainty.

## GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Disclosure Document. Specific attention of the readers is invited to the section titled "*Scheme Details*" at page 2 (two) and *"Internal Risk Factors"* at page 7 (seven) of this Disclosure Document.

## PRICE INFORMATION OF LEAD MANAGER

Not Applicable.

## REGISTERED MERCHANT BANKER

| | |
|---|---|
| **Name of the Registered Merchant Banker and contact details (telephone and email ID)** | **FEDEX SECURITIES PRIVATE LIMITED**<br>(*Formally known as Fedex Securities Limited)*<br>**Address:** B7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai 400057, Maharashtra, India.<br>**Tel No:** +91 81049 85249; **Fax No**: 022 2618 6966; **Email:** mb@fedsec.in ; **Website:** www.fedsec.in; **Contact Person:** Yash Kadakia |

## STATUTORY AUDITOR OF THE AMALGAMATING COMPANY 1

| | |
|---|---|
| **Name of Statutory Auditor and details** | Name of the Firm: NSVM & Associates.<br>Registration No.: 010072S<br>Email : e-people@nsvm.in |
| **Name of Syndicate Members** | Not Applicable |
| **Name of the Registrar to the Issue and contact details (telephone and email id)** | Not Applicable |



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| | |
|---|---|
| **Name of the Credit Rating Agency and the rating or grading obtained** | Not Applicable |
| **Name of Debenture Trustee** | Not Applicable |
| **Self-Certified Syndicate Banks** | Not Applicable |
| Non Syndicate Registered Brokers | Not Applicable |

## PROMOTERS OF THE AMALGAMATING COMPANY 1

Key details of the promoters of the Amalgamating Company 1 are given below:

- **Embassy Property Developments Private Limited ("EPDPL"):** EPDPL is a private limited company incorporated on July 30, 1996, under the erstwhile Companies Act, 1956 bearing CIN U85110KA1996PTC020897.EPDPL is engaged in the business of development of real estate projects in India. Over the last three decades, EPDPL, together with its affiliates has developed over 55 million square feet of commercial, residential, industrial and warehousing, retail and hospitality spaces in India and overseas. EPDPL also holds an extensive land bank across India. EPDPL has over 26 years of experience in undertaking various aspects of real estate development business such as land identification, land acquisition, development, conceptualization, design, project management, property management, facilities management, interior development, sales, corporate leasing and marketing of real estate assets.

- **JV Holdings Private Limited ("JVHPL")**: JVHPL is a private limited company, incorporated under the Companies Act, 1956 and an existing company under the Companies Act, 2013, with corporate identification number U65993KA2008PTC045095, having its registered office at 1st Floor, Embassy Point,150, Infantry Road, Bangalore -560001, India. The company is presently engaged in the business of making investments in joint developments, companies/firms which undertake real estate development activities.

- **Jitendra Virwani:** Jitendra Virwani is the Chairman and Managing Director of Embassy group.

- **Neel Virwani:** Neel Virwani is interning with the Chief Operating Officer of the Embassy group and the Chief Executive Officer of Wework India Management Private Limited and is pursuing a degree in business administration and management at Hult International Business School, San Francisco, United States of America.

- **OMR Investments LLP:** OMR Investments LLP has its registered office at 150, Infantry Road, Bengaluru. The objects of OMR Investments LLP as specified in the LLP Agreement dated November 18, 2011 authorises OMR Investments LLP to make investments in joint developments, companies/firms which undertake real estate development activities.

- Refer the "Board of Directors" section for details of Karan Virwani and Aditya Virwani.

## BUSINES MODEL/BUSINESS OVERVIEW AND STRATEGY

The Amalgamating Company 1 is a private limited company incorporated on June 2, 1995, under the erstwhile Companies Act, 1956 in the State of Karnataka bearing Corporate Identity Number as U85110KA1995PTC017950 having its registered office at 1st Floor, Embassy Point, No.150 Infantry Road, Bengaluru 560001, Karnataka, India. The Amalgamating Company 1 is engaged in the business of construction and development of real estate projects (both residential and commercial) and related consulting services, related management services, leasing of properties, making investments in joint developments, investing in companies/firms which undertake real estate development activities.

Pursuant to the Scheme, the Amalgamating Company 1 shall stand transferred to and be vested in the Amalgamated Company, as a going concern together with all properties, assets, rights, liabilities, benefits and interests therein.

## BOARD OF DIRECTORS



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| Name | Designation (Independent / Whole Time Director / Executive / Nominee) | Experience including current/past position held in other firms |
|---|---|---|
| Ramakrishnan Rajagopalan Pandithacholanallur | Non-Executive Director | P.R. Ramakrishnan is a Non-Executive Director, Finance for the Embassy group, and has been with the group since 2007. He has been involved in the strategic growth of the organisation. Prior to joining the group, he was associated with TG Kirloskar Automotives. |
| Rajesh Ramchand Bajaj | Non-Executive Director | Rajesh Bajaj is the Director, Corporate Affairs of the Embassy group. He has been with the group for the last 25 years and is responsible for developing and implementing key strategies, targeting all external stakeholders. He has experience in government relations and public affairs. |
| Karan Virwani | Executive Director | Karan Virwani, Chief Executive Officer, WeWork India, is a young and dynamic entrepreneur who has paved the way for opening the Indian market to WeWork, a New York-based collaborative workspace giant. WeWork's spaces are present at 34 prime locations in India. |
| Aditya Virwani | Executive Director | Aditya Virwani is the Chief Operating Officer of the Embassy group. He is involved with the strategy and operations of the Embassy group and its diversified businesses. He has studied Business Administration at the University of Massachusetts, Boston and University of San Francisco. |

## OBJECTS / RATIONALE OF THE SCHEME

The management of the Amalgamating Companies and the Amalgamated Company believe that the business existing in the Amalgamating Companies should be consolidated with the Amalgamated Company for the following primary reasons:

i. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will ensure that that the Amalgamated Company has a complementary presence pan India across key market of Mumbai, Bengaluru, Chennai and the NCR region and has diversification across real estate asset classes (commercial and residential).

ii. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enable consolidation of the business and operations of the Amalgamating Companies and the Amalgamated Company which will provide impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies and enable optimal utilization of various resources as a result of pooling of financial, managerial, technical and human resources of both the Amalgamating Companies and the Amalgamated Company, thereby creating a stronger base for future growth and accretion of shareholder value.

iii. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will result in rationalization and streamlining of the management structure of the consolidated business operations and pooling of human talent in terms of manpower, administration and marketing which will result in savings in the operation costs and optimum utilization of assets. Further, the consolidation will result in greater efficiency in 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.

iv. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will provide the Amalgamated Company with size and scale and hence, with greater opportunities to secure investments from a new set of financial investors and will enhance the Amalgamated Company's ability to raise further capital from the financial markets.



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v. The consolidation of the resources of the Amalgamating Companies with those of the Amalgamated Company will enable the Amalgamated Company to provide better services and facilities to its customers and suppliers.

vi. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enhance the shareholder's value accruing from consolidation of business operations resulting in economies of scale, improving allocation of capital and optimizing cash flows, thus, contributing to the overall growth prospects of the Amalgamated Company.

Details of means of finance – Not Applicable

Details and reasons for non-development or delay in deployment of proceeds or changes in utilization of Issue proceeds of past public issues/rights issues, if any, of the company in the preceding 10 years – Not Applicable

Details of monitoring agency – Not Applicable

Terms of the Issuance of Convertible Security, if any – Not Applicable

## SHAREHOLDING PATTERN

**Pre-Shareholding Pattern of the Amalgamating Company 1 as on date:**

| Sr. No. | Particulars | Pre-scheme number of shares | % of Holding of Pre-scheme |
|---|---|---|---|
| 1. | Promoter and Promoter Group | 39,98,11,391 | 100% |
| 2. | Public | Nil | Nil |
| | **Total** | **39,98,11,391** | **100.00%** |

**Shareholding pattern of the Amalgamating Company 1 prior to the Record Date 1 and prior to the Effective Date 1 (i.e., upon completion of the transactions pursuant to the Respective Swap Agreements):**

| Sr. No. | Particulars | Pre-scheme number of shares | % of Holding of Pre-scheme |
|---|---|---|---|
| 1. | Promoter and Promoter Group | 73,89,16,116 | 80.30% |
| 2. | Public | 18,13,22,589 | 19.70% |
| | **Total** | **92,02,38,705** | **100.00%** |

**Number / amount of equity shares proposed to be sold by selling shareholders, if any** – Not applicable

## FINANCIAL STATEMENT

| ***Standalone*** | | | | | ***Rs. in Lakhs*** | |
|---|---|---|---|---|---|---|
| **Particulars** | **September 30, 2021 (Unaudited)** | **March 31, 2021[2] (Audited)** | **March 31, 2020 (Audited)** | **March 31, 2019 (Audited)** | **March 31, 2018 (Audited)** | **March 31, 2017 (Audited)** |
| Total income from operations (net) | 8,488.41 | 8,976.40 | 4,485.33 | 833.76 | 11,591.26 | 9,957.88 |
| Net Profit / (Loss) before tax and extraordinary items | (18,364.27) | (4,968.00) | (1,692.36) | (4,711.63) | (3,046.59) | (962.14) |
| Net Profit / (Loss) after tax and extraordinary items | (18,332.64) | (4,870.85) | (1,692.36) | (4,711.63) | (3,064.11) | (962.14) |
| Equity Share Capital | 39,981.14 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Reserves and Surplus | 83,929.47 | (40,601.39) | (35,730.54) | (33,750.21) | (20,348.40) | (5,635.92) |
| Net worth | 123,910.61 | (40,594.39) | (35,723.54) | (33,743.21) | (20,341.40) | (5,628.92) |
| Basic & diluted earnings per share (Rs.) | (4.59) | (6,958.15) | (2,417.66) | (6,730.71) | (4,377.18) | (1,374.45) |
| Return on net worth (%) | (14.80) | 11.99 | 4.74 | 13.96 | 15.06 | 17.09 |



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| | | | | | | |
|---|---|---|---|---|---|---|
| Net Asset Value Per Share (Rs) | 30.99 | (57,990) | (51,033) | (48,203) | (29,059) | (8,041.08) |

| ***Consolidated*** | | | | | ***Rs. in Lakhs*** | |
|---|---|---|---|---|---|---|
| **Particulars** | **September 30, 2021 (Unaudited)** | **March 31, 2021[2]** | **March 31, 2020** | **March 31, 2019** | **March 31, 2018** | **March 31, 2017** |
| Total income from operations (net) | 10,671.53 | -- | N.A. | N.A. | N.A. | N.A. |
| Net Profit / (Loss) before tax and extraordinary items | (28,866.42) | -- | N.A. | N.A. | N.A. | N.A. |
| Net Profit / (Loss) after tax and extraordinary items | (27,896.74) | -- | N.A. | N.A. | N.A. | N.A. |
| Equity Share Capital | 39,981.14 | -- | N.A. | N.A. | N.A. | N.A. |
| Reserves and Surplus | 1,01,893.93 | -- | N.A. | N.A. | N.A. | N.A. |
| Net worth | 1,41,875.07 | -- | N.A. | N.A. | N.A. | N.A. |
| Basic & diluted earnings per share (Rs.) | (6.98) | -- | N.A. | N.A. | N.A. | N.A. |
| Return on net worth (%) | (19.66) | -- | N.A. | N.A. | N.A. | N.A. |
| Net Asset Value Per Share (Rs) | 35.49 | -- | N.A. | N.A. | N.A. | N.A. |

## INTERNAL RISK FACTORS

Following are the Internal Risk Factors:

1. The proposed Scheme is subject to the approval of the NCLT, regulatory authorities, shareholders and creditors. We may face delays or maybe unable to give effect to the scheme in the event such approvals are delayed or not received.
2. Changing laws, rules, regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects and results of operations.
3. The Amalgamating Company 1 is in the business of real estate development of residential, commercial and industrial projects. Development and completion of projects are subject to external factors beyond the control of Amalgamating Company 1 which include receipt of key approvals and sanctions from statutory authorities.
4. The growth and performance of the business is sensitive to the overall business environment, the stability of real estate related laws and regulations (including tax, zoning, environmental, land, title, stamp duty, goods and service tax, labour, construction related laws etc.), availability of financing, availability and pricing of input materials and costs, and cyclical effects of the commercial and residential real estate industry.
5. The business involves substantial contractual agreements with third parties (such as landowners, tenants, financial investors, customers, [service providers] etc.) and hence carries inherent counter party risks.
6. The growth of business is also dependent on timely and adequate availability of land for its real estate projects. Few of the landbanks of Amalgamating Company 1 / Specified Companies A are currently in the process of receiving the allotment from KIADB or completing the Joint Development agreement with landowners.

[2] Consolidated financials for March 2021 are not captured as the Amalgamating Company 1 took exemption under Rule 6, Section 129 of the Companies Act, 2013

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## SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

**A. Total number of outstanding litigations against the Amalgamating Company 1 and amount involved:** The total number of outstanding litigations against the Amalgamating Company 1 are given below:

- Tax matters: 8 (Eight) direct tax cases with demand amounting to INR 182 (one hundred & eighty-two) mn and 4 (four) indirect tax cases with tax demand of INR 98 (ninety-eight) mn
- Civil matters: 125 (one hundred and twenty-five) cases*. The total amount involved wherever quantifiable is INR 1.6 mn.

  **With regard to most cases, the nature of litigation being with respect to title of land or ownership of land-owning subsidiaries, the amount cannot be quantified*

**B. Brief details of top 5 materials outstanding litigations against the Amalgamating Company 1 and amount involved:**

| Serial No. | Company | Issue | Authority | Disallowance in INR | Demand in INR |
|---|---|---|---|---|---|
| 1. | Embassy One Developers Private Limited | Disallowance of business loss on the ground that business is not set up | CIT(A) | 18,77,97,473 | 1,04,88,369 |
| 2. | Grove Ventures | The addition has been made u/h Other sources, but there is no Income from Other sources. | CIT(A) | | 17,17,96,730 |
| 3. | NAM Estates Private Limited | (1)14A Disallowance of Rs. 78378231/- (2) Interest on borrowed funds of 30 Cr. Of Rs. 3,61,30,722/- (3) Interest on HDFC loan of Rs. 2,01,81,919/- | CIT(A) | 13,46,90,872 | |
| 4. | Embassy One Developers Private Limited | SCN for irregular availment of Cenvat credit. Commissioner order received and Appeal filed before Tribunal. | High Court | | 5,73,18,798 |
| 5. | RGE Constructions and Development Pvt Ltd. | A reassessment order has been issued by Appellate Deputy Commisioner against the demand notice issued by the AC(CT) on 30.08.2013, seeking a demand of Rs.2,31,83,771/- for the FY 2012-13. The amount has been paid and subsequent to the order of ADC, the BG has been released and the balance amount has been adjusted against the | Appellate Deputy Commissioner | | 2,31,83,771 |



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| | | | | | |
|---|---|---|---|---|---|
| | | monthly tax liability. Re-assessment by the department is pending. | | | |

**C. Regulatory Action, if any-disciplinary action taken by SEBI or Stock Exchange against the Promoters in the last 5 Financial Years including outstanding action:**

- Compounding fees and penalty of Rs. 10 lakhs has been paid for violation of Section 185 by Amalgamating Company 1.
- A penalty of INR 3 lakhs was paid by EPDPL under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 read with 15-I of Securities and Exchange Board of India Act, 1992 for failure to submit financial results for half year ended March 31, 2019.
- A monetary penalty of INR 10 Lakhs was paid by EPDPL for non-compliances with regard to regulation 7(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (in short the SAST Regulations, 2011) read with (in short r/w) regulation 19A of the Securities Contracts (Regulation) Rules, 1957 (in short the SCRR, 1957).
- Review letter has been sent by BSE to Amalgamating Company 1 and EPDPL for non- submission of Quarterly financial statement as on September 30, 2021 – Fine as per regulation 52(1) and 52(4). Penalty for Amalgamating Company 1 will be determined upon submission of financials to stock exchange. For EPDPL, the company has paid the penalty of INR 2,47,800 as per Regulation 52(1) and INR 49,560 as per Regulation 52(4).

**D. Brief details of outstanding criminal proceedings against Promoters:**

The Central Bureau of Investigation ("CBI") had filed a chargesheet against various persons including Embassy Realtors Private Limited (which subsequently merged with Embassy Property Development Pvt. Ltd. ("EPDPL")) and its founder, Jitendra Virwani in 2014. As part of a broader set of allegations against all the accused, the CBI had alleged corruption and irregularities in the award of certain projects by the Government of Andhra Pradesh in 2004 to a consortium where Embassy Realtors Private Limited was a minority stakeholder. The offences alleged against EPDPL and Jitendra Virwani are, inter alia, under Sections 120 (b) & 420 of the Indian Penal Code, 1860. Jitendra Virwani had filed a petition in the High Court of Telangana and Andhra Pradesh ("High Court") seeking an interim stay against the proceedings in the trial court. The High Court had instead exempted him from personal appearance. Subsequently, EPDPL filed a petition in the High Court in 2016 seeking to quash the proceedings pending before the Special Court for CBI cases. The High Court granted an interim order of stay until the date of the next hearing. EPDPL and Jitendra Virwani were also named as respondents in proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002 in relation to the same subject matter. The Directorate of Enforcement passed an order for the provisional attachment of certain movable assets of EPDPL and Jitendra Virwani in January 2018. In June 2018, the Adjudicating Authority passed an order that the assets were not involved in the alleged money laundering and revoked the attachment. The Directorate of Enforcement filed an appeal before the Appellate Tribunal, which confirmed the orders passed by the Adjudicating Authority and dismissed the appeal. The Enforcement Directorate then filed an appeal before the High Court, which is pending. Based on the complaint filed by the Income-tax Department, the Special Court for Economic Offences, Bangalore, has initiated criminal proceedings against Mr. Jitendra Virwani for offences punishable under Sections 276 C (1), 276 (D) and 277 of the Income Tax Act, 1961.

## DECLARATION BY THE AMALGAMATING COMPANY 1

We hereby declare that all relevant provisions of the Companies Act 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Disclosure Document is contrary to the provisions of the Companies Act, 2013, the Securities and



RAM ESTATES PVT. LTD. ★ BANGALORE ★

Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in the Disclosure Document are true and correct.

**For Nam Estates Private Limited,**

NAM ESTATES PVT. LTD. * BANGALORE *

**Ramakrishnan Rajagopalan Pandithacholanallur**
**Director**
**DIN: 00055416**
**Date: January 4, 2022**
**Place: Bengaluru**

**FEDEX SECURITIES PVT LTD**
(Formerly Known as Fedex Securities Limited)
MERCHANT BANKING DIVISION

B7 Wing, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai 400 057
T : +91 22 2613 6460 / 61
M : +91 81049 85249
E-mail: mb@fedsec.in • www.fedsec.in
CIN : U67120MH1996PTC102140

**Date: 03rd January, 2022**

**To,**
**Board of Directors,**
**Embassy One Commercial Property Developments Private Limited,**
1st Floor, Embassy Point, No.150
Infantry Road Bangalore 560001,
Karnataka, India.

**Subject: - Certificate on adequacy and accuracy of disclosure in the format of "Abridged Prospectus" ("Disclosure Document") pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 with respect to the Scheme of Amalgamation between Nam Estates Private Limited ("Amalgamating Company 1"), Embassy One Commercial Property Developments Private Limited ("Amalgamating Company 2") And Indiabulls Real Estate Limited ("Amalgamated Company") and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies act, 2013 and rules framed thereunder (hereinafter refer to as "Scheme").**

Dear Sir/Madam,

We, Fedex Securities Private Limited ***("We" or "Fedex")***, SEBI Registered Category – I, Merchant Banker have been appointed by Amalgamating Company 2 for the purpose of preparing and certifying the adequacy and accuracy of the disclosures made in the Abridged Prospectus / Disclosure Document dated January 03, 2022 of Amalgamating Company 2 in compliance Annexure I, Paragraph 3(a) of SEBI Circular Number CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 ***("SEBI Circulars")*** issued by Securities and Exchange Board of India (SEBI) in relation to the captioned Scheme, state and confirm as follows:

We have relied on the information, undertakings, certifications, documents and explanations provided to us by Amalgamating Company 2, its Directors and its Promoters while finalizing the Abridged Prospectus (Disclosure Document) of the subject captioned;

On the basis of the above, we hereby confirm that:

The information contained in the Disclosure Document is prepared in the format prescribed for Abridged Prospectus provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended, which will be circulated to the Members of Amalgamated Company at the time of seeking their consent in the explanatory statement in the Notice in accordance with the SEBI circular is accurate and adequate.

FEDEX SECURITIES PVT LTD MUMBAI

Yashak

***Report Limitations:***

1. This Certificate is a specific purpose certificate issued in terms of and compliance with SEBI Circulars and hence it should not be used for any other purpose or transaction.
2. We express no opinion and accordingly accepts no responsibility for or as to the price at which the equity shares of the Company will trade following the Scheme.
3. This Certificate contains the certification on adequacy and accuracy of disclosure of information in the Abridged Prospectus (Disclosure Document) pertaining to the unlisted entity, Amalgamating Company 2, and is not an opinion on the proposed Scheme or its success. Further, this certificate does not guarantee the implication/approval of the proposed Scheme.
4. To the extent of our scope of work, we have relied on the information furnished and explanations provided to us and have not carried out our independent audit of the financial and legal information. Hence, we are unable to express our opinion on the fairness of the financial and legal information.
5. We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.

**For Fedex Securities Private Limited**
*(Formerly Known as Fedex Securities Limited)*

**Yash Kadakia**
**Director**
**DIN: 08944355**
**Place: Mumbai**

**THIS IS A DISCLOSURE DOCUMENT ("ABRIDGED PROSPECTUS OR DISCLOSURE DOCUMENT") CONTAINING SALIENT FEATURES OF THE SCHEME OF AMALAGAMATION BETWEEN NAM ESTATES PRIVATE LIMITED ("AMALGAMATING COMPANY 1"), EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED ("AMALGAMATING COMPANY 2") AND INDIABULLS REAL ESTATE LIMITED ("AMALGAMATED COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER (HEREINAFTER REFERRED TO AS THE "SCHEME"). YOU ARE ENCOURAGED TO READ GREATER DETAILS AVAILABLE IN THE SCHEME.**

**THIS DISCLOSURE DOCUMENT CONSISTS OF 7 (SEVEN) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

This Disclosure Document is prepared in compliance with the observation letters issued to the Amalgamated Company by the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"), dated February 23, 2021 and February 19, 2021, respectively; paragraph I.A.3(a) of Annexure I of the circular bearing number CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended, issued by the Securities and Exchange Board of India ("**SEBI**"), paragraph A.3(a) of Part I of the SEBI Master Circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020; and Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. This document contains disclosures as prescribed in Part E of Schedule VI to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR**"), to the extent applicable.

The equity shares of Indiabulls Real Estate Limited are listed on the BSE and the NSE (hereinafter collectively referred to the "**Stock Exchanges**"). The Scheme envisages (i) the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company; and (ii) the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company; in accordance with Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company.

The equity shares of Amalgamating Company 1 and Amalgamating Company 2 are not listed on any stock exchange in India, however the equity shares, proposed to be issued to the shareholders of Amalgamating Company 1 and Amalgamating Company 2, pursuant to Scheme, shall be listed on the Stock Exchanges.

Nothing in this Disclosure Document constitutes an offer or an invitation by or on behalf of Amalgamating Company 1, Amalgamating Company 2 or Amalgamated Company or their respective shareholders and creditors to subscribe for or purchase any of the securities of Amalgamating Company 1, Amalgamating Company 2 or Amalgamated Company.

**This Disclosure Document should be read together with the Scheme and other documents and notice to shareholders of the Amalgamated Company** available on the **websites of the Amalgamated Company** (www.indiabullsrealestate.com), the BSE (www.bseindia.com) and the NSE (www.nseindia.com).

Capitalised terms not defined herein shall have the meaning ascribed under the Scheme.

EMBASSY

**EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PRIVATE LIMITED**

**CIN: U70109KA2018PTC135028**

**Registered Office:** 1st Floor, Embassy Point, No.150 Infantry Road Bangalore 560001, Karnataka, India; **Corporate Office:** 1st Floor, Embassy Point, No.150 Infantry Road Bangalore 560001, Karnataka, India; **Telephone No.:** +91804903 0000; **Fax No.:** +9180 2228 6912 **E-Mail ID:** secretarialteam@embassyindia.com; **Website:** www.embassyindia.com ; **Contact Person:** Richa Saxena

**OUR PROMOTER: NAM ESTATES PRIVATE LIMITED**

**SCHEME DETAILS , LISTING AND PROCEDURE**



EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT LTD

The proposed Scheme is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder for the:

(i) amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company, in accordance with Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company; and

(ii) amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company, in accordance with Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 as well as the consideration, accounting treatment and tax treatment of the Amalgamated Company;

The Scheme was approved by the respective boards of directors of each of the Amalgamating Company 1, the Amalgamating Company 2 and the Amalgamated Company on August 18, 2020.

The Scheme was filed with the Competition Commission of India ("**CCI**") on December 3, 2020, and the approval of the CCI has been obtained by way of letter dated February 24, 2021 and certified true copy of the detailed order no.C-2020/12/794 dated March 26, 2021. Further, the BSE and the NSE in their Observation Letters dated February 19, 2021 and February 23, 2021 respectively had suggested certain modifications in the draft Scheme. The revised Scheme, after incorporating these suggested changes, was approved by the Board of Directors of Amalgamating Company 1 on May 22, 2021; by the Board of Directors of Amalgamating Company 2 on May 22, 2021 and by the Board constituted committee of the Amalgamated Company on May 25, 2021.

The Scheme was filed with National Company Law Tribunal, Chandigarh and Bengaluru Benches ("**NCLT**") on August 16, 2021 and on August 13, 2021 respectively. The order for NCLT Bengaluru is awaited. The NCLT Chandigarh Bench has passed an order to conduct the meeting of the Shareholders of the Amalgamated Company on February 12, 2022 at 11:00 AM through video-conferencing. Notice for convening the meeting is being circulated simultaneously.

**Exchange of securities at the Amalgamated Company 1 (pursuant to the Respective Swap Agreements) and the Amalgamated Company 2 (pursuant to the NAM OpCo Swap Agreement)**:

- Upon the Scheme being sanctioned by the NCLT but prior to the Record Date 1 and the Effective Date 1, the NAM Swapping Investors will undertake an exchange of securities held by them in the Specified Companies A for equity shares in the Amalgamating Company 1, and the Specified Companies A will become wholly-owned subsidiaries of Amalgamating Company 1 (and consequently become wholly-owned subsidiaries of the Amalgamated Company on the Effective Date 1 pursuant to the Scheme). The Scheme also provides that in the event such exchange of securities is not undertaken or if for any reason the entire shareholding of the Specified Companies A is not held by the Amalgamating Company 1, then the promoters of Amalgamating Company 1 and/or their affiliates shall acquire the entire shareholding of Specified Companies A and undertake the exchange referred to above such that the Specified Companies A will become wholly-owned subsidiaries of Amalgamated Company pursuant to the Scheme.
- Upon the Scheme being sanctioned by the NCLT but prior to the Record Date 2 and the Effective Date 2, the Third Party Investor 3 will undertake an exchange of securities held by them in the Specified Company B for equity shares in the Amalgamating Company 1, and the Specified Company B will become a wholly-owned subsidiary of the Amalgamated Company 2 (and consequently become a wholly-owned subsidiary of the Amalgamated Company on the Effective Date 2 pursuant to the Scheme).

On the Effective Date 1, 6,619 (Six Thousand Six Hundred and Nineteen) equity shares of the Amalgamated Company of Rs. 2 (Rupees Two only) each will be allotted to the shareholders of the Amalgamating Company 1 for every 10,000 (Ten Thousand) equity shares held in Amalgamating Company 1 of Rs. 10 (Rupees Ten) each. On the Effective Date 2, 5,406 (Five Thousand Four Hundred and Six) equity shares of the Amalgamated Company of Rs. 2 (Rupees Two only) each will be allotted to the shareholders of the Amalgamating Company 2 for every 10,000 (Ten Thousand) equity shares held in the Amalgamating Company 2 of Rs. 10 (Rupees Ten) each. Such equity shares of the Amalgamated Company to be issued and allotted pursuant to the Scheme will be listed on the BSE and the NSE subject to necessary applications / compliances by the Amalgamated Company and approvals under the SEBI regulations (as applicable) and from the BSE and the NSE.



EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT LTD.

Details in relation to the Scheme, the Share Entitlement Ratio in accordance with the Scheme, the Share Exchange Report and fairness opinion are available on the websites of the BSE (www.bseindia.com) and the NSE (www.nseindia.com).

## PROCEDURE:

The procedure with respect to public issue/ offer is not applicable to the Amalgamating Company 2 as the Amalgamating Company 2 is unlisted and there is no public offer of securities. The issue of equity shares of the Amalgamated Company will be made only to the shareholders of the Amalgamating Company 1 and the Amalgamating Company 2, in accordance with the Scheme. Hence, the procedure with respect to General Information Document (GID) is not applicable.

## ELIGIBILITY FOR THE ISSUE

**This document does not constitute an offer to public at large.** There being no initial public offering or rights issue, the eligibility criteria under the ICDR is not applicable.

## INDICATIVE TIMETABLE

This Disclosure Document is being filed pursuant to the Scheme, and is not an offer to the public at large. Given that the Scheme is subject to relevant regulatory approvals, including approvals from National Company Law Tribunal, hence the time frame cannot be established with certainty.

## GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Disclosure Document. Specific attention of the readers is invited to the sections titled *"Scheme Details"* at page 2 (two) and *"Internal Risk Factors"* at page 6 (six) of this Disclosure Document.

## PRICE INFORMATION OF LEAD MANAGER

Not Applicable

## REGISTERED MERCHANT BANKER

| | |
|---|---|
| **Name of the Registered Merchant Banker and contact details (telephone and email ID)** | **FEDEX SECURITIES PRIVATE LIMITED**<br>*(Formally known as Fedex Securities Limited)*<br>**Address:** B7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai 400057, Maharashtra, India.<br>**Tel No:** +91 81049 85249; **Fax No**: 022 2618 6966; **Email:** mb@fedsec.in ; **Website:** www.fedsec.in; **Contact Person:** Yash Kadakia |

## STATUTORY AUDITOR OF THE AMALGAMATING COMPANY 2

| | |
|---|---|
| **Name of Statutory Auditor and details** | **Name of the Firm:** HRA & Co.<br>**Registration No.:** 010005S<br>**Email:** ravin@hraindia.com |
| **Name of Syndicate Members** | Not Applicable |
| **Name of the Registrar to the Issue and contact details (telephone and email id)** | Not Applicable |
| **Name of the Credit Rating Agency and the rating or grading obtained** | Not Applicable |

EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT. LTD.

| | |
|---|---|
| **Name of Debenture Trustee** | Not Applicable |
| **Self-Certified Syndicate Banks** | Not Applicable |
| **Non Syndicate Registered Brokers** | Not Applicable |

## PROMOTERS OF THE AMALGAMATING COMPANY 2

**Nam Estates Private Limited ("NAM Estates")**

NAM Estates Private Limited, having CIN U85110KA1995PTC017950, is a company incorporated as a private limited Company under the erstwhile Companies Act, 1956 on June 2, 1995 vide certificate of incorporation issued by the Registrar of Companies, Bangalore. The registered office of the NAM Estates is at 1st Floor, Embassy Point, 150, Infantry Road Bangalore. Infantry Road, Bangalore, 560052 Karnataka, India, and NAM Estates is presently engaged in the business of construction and development of real estate projects (both residential and commercial) and related consulting services, related management services, leasing of properties, making investments in joint developments, investing in companies/firms which undertake real estate development activities.

## BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

Embassy One Commercial Property Developments Private Limited is a private limited company incorporated on July 3, 2018, under the provisions of Companies Act, 2013 in the State of Karnataka bearing Corporate Identity Number as U70109KA2018PTC135028 having its Registered Office at 1st Floor, Embassy Point, No.150 Infantry Road Bangalore 560001, Karnataka, India. Amalgamating Company 2 is engaged in the business of providing common area maintenance services to construction and development of real estate projects (both residential and commercial) and other related activities.

Pursuant to the Scheme, Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company, as a going concern together with all properties, assets, rights, liabilities, benefits and interests therein.

## BOARD OF DIRECTORS

| Name | Designation (Independent / Whole Time Director / Executive / Nominee) | Experience |
|---|---|---|
| Narpat Singh Choraria | Non-Executive Director | Narpat Singh Choraria, has over 3 decades of experience in the real estate and property development sector. He holds a Bachelor's degree in Commerce from Calcutta University. He has been a part of the group since incorporation. Prior to joining the group, he has worked as General Manager with Wajdi International Traders, Dubai. |
| Shaina Ganapathy | Non-Executive Director | Shaina heads the group and its companies' Outreach initiatives across India. Shaina has been a part of group for over 15 years. Prior to joining Embassy, Shaina spent over 9 years in Sales and Marketing in the Hospitality Industry. She holds a bachelor's degree in economics and a Master's in International Marketing. |

## OBJECTS / RATIONALE OF THE SCHEME

The management of the Amalgamating Companies and the Amalgamated Company believe that the business existing in the Amalgamating Companies should be consolidated with the Amalgamated Company for the following primary reasons:



EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT. LTD.

i. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company ensures that the Amalgamated Company has a complementary presence pan India across key market of Mumbai, Bengaluru, Chennai and the NCR region and has diversification across real estate asset classes (commercial and residential).

ii. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enable consolidation of the business and operations of the Amalgamating Companies and the Amalgamated Company which will provide impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies and enable optimal utilization of various resources as a result of pooling of financial, managerial, technical and human resources of both the Amalgamating Companies and the Amalgamated Company, thereby creating a stronger base for future growth and accretion of shareholder value.

iii. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will result in rationalization and streamlining of the management structure of the consolidated business operations and pooling of human talent in terms of manpower, administration and marketing which will result in savings in the operation costs and optimum utilization of assets. Further, the consolidation will result in greater efficiency in 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.

iv. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will provide the Amalgamated Company with size and scale and hence, with greater opportunities to secure investments from a new set of financial investors and will enhance the Amalgamated Company's ability to raise further capital from the financial markets.

v. The consolidation of the resources of the Amalgamating Companies with those of the Amalgamated Company will enable the Amalgamated Company to provide better services and facilities to its customers and suppliers.

vi. The amalgamation of the Amalgamating Companies with and into the Amalgamated Company will enhance the shareholder's value accruing from consolidation of business operations resulting in economies of scale, improving allocation of capital and optimizing cash flows, thus, contributing to the overall growth prospects of the Amalgamated Company.

Details of means of finance – Not Applicable

Details and reasons for non-development or delay in deployment of proceeds or changes in utilization of Issue proceeds of past public issues/rights issues, if any, of the company in the preceding 10 years – Not Applicable

Details of monitoring agency – Not Applicable

Terms of the Issuance of Convertible Security, if any – Not Applicable

## SHAREHOLDING PATTERN

**Shareholding Pattern of the Amalgamating Company 2 as on date:**

| Sr. No. | Particulars | Pre-scheme number of shares | % of Holding of Pre-scheme |
|---|---|---|---|
| 1. | Promoter and Promoter Group | 10,000 | 100% |
| 2. | Public | Nil | Nil |
| | **Total** | **10,000** | **100.00%** |

**Shareholding pattern of the Amalgamating Company 2 prior to the Record Date 2 and prior to the Effective Date 2 (i.e., upon completion of the transactions pursuant to the NAM OpCo Swap Agreement):**

| Sr. No. | Particulars | Pre-scheme number of shares[*] | % of Holding of Pre-scheme |
|---|---|---|---|
| 3. | Promoter and Promoter Group | 20,000 | 0.01% |
| 4. | Public | 16,16,00,000 | 99.99% |
| | **Total** | **16,16,20,000** | **100.00%** |

*[*Subject to the NAM OpCo Swap Agreement]*

**Number / amount of equity shares proposed to be sold by selling shareholders, if any** – Not applicable



EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT. LTD.

## FINANCIAL STATEMENT

**STANDALONE**

**Rs. in Lakhs**

| Particulars | September 30, 2021 (Unaudited) | March 31, 2021 (Audited) | March 31, 2020 (Audited)) | March 31, 2019 (Audited) | March 31, 2018* | March 31, 2017* |
|---|---|---|---|---|---|---|
| Total income from operations (net) | 101.95 | 94.86 | 0.00 | 0.00 | NA | NA |
| Net Profit / (Loss) before tax and extraordinary items | (0.08) | (0.78) | (1.70) | (0.72) | NA | NA |
| Net Profit / (Loss) after tax and extraordinary items | (0.08) | (0.78) | (1.70) | (0.72) | NA | NA |
| Equity Share Capital | 1.00 | 1.00 | 1.00 | 1.00 | NA | NA |
| Reserves and Surplus | (3.28) | (3.20) | (2.41) | (0.72) | NA | NA |
| Net worth | (2.28) | (2.20) | (1.41) | 0.28 | NA | NA |
| Basic & diluted earnings per share (Rs.) | (0.80) | (7.83) | (16.97) | (9.66) | NA | NA |
| Return on net worth (%) | 3.49 | 35.64 | 119.97 | (256.25) | NA | NA |
| Net Asset Value Per Share (Rs) | (22.8) | (21.98) | (14.15) | 2.83 | NA | NA |

**The Company is incorporated on July 03, 2018. Hence, financials for the F.Y. 2017 and 2018 are not applicable.*

***CONSOLIDATED*** *– Not Applicable*

## INTERNAL RISK FACTORS

Following are the Internal Risk Factors:

1. The proposed Scheme is subject to the approval of the NCLT, regulatory authorities, shareholders and creditors and IPPL demerger.
2. Delay or non-receipt of such requisite regulatory or corporate approvals may have impact on giving effect to the Scheme.
3. Changing laws, rules, regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect business, prospects and results of operations of the Amalgamating Companies or Amalgamated Company or merged entity.
4. If we are unable to manage the synergies arising out of scheme of arrangement, our post-merger business, cashflows financial condition and prospects may be adversely affected.
5. If we are unable to accurately forecast demand for our business, our cash flows, financial condition and prospects may be adversely affected.

## SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. **Total number of outstanding litigations against the Amalgamating Company 2 and amount involved[1]:** As on the date of this Disclosure Document, there are no outstanding litigation against the Amalgamating Company 2.

B. **Brief details of top 5 materials outstanding litigations against the Amalgamating Company 2 and amount involved:** As on the date of this Disclosure Document, there are no outstanding litigations against the Amalgamating Company 2.

[1] The financials and litigations of Specified Company B have not been considered as on the date of filing of prospectus, Specified Company B is not a subsidiary of Amalgamating Company 2. Specified Company B's residential business is yet to be demerged and after such demerger and after share swap arrangement with Amalgamating Company 2, Specified Company B (with residential business only) will become subsidiary of Amalgamating Company 2.



EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT LTD.

C. **Regulatory Action, if any-disciplinary action taken by SEBI or Stock Exchange against the Promoters in the last 5 Financial Years including outstanding action:** Neither any disciplinary action has been taken by SEBI or Stock Exchanges against the Promoter of Amalgamating Company 2 in last 5 financial years nor any action is outstanding on the date of this Disclosure Document except Review letter sent by BSE to NAM Estates for non-submission of Quarterly financial statement as on September 30, 2021 – Fine as per regulation 52(1) and 52(4). Penalty will be determined upon submission of financials to stock exchange. Further, compounding fees and penalty of Rs. 10 lakhs has been paid for violation of Section 185 by NAM Estates.

D. **Brief details of outstanding criminal proceedings against Promoters:** As on the date of this Disclosure Document, there are no outstanding criminal proceedings against the Promoter of Amalgamating Company 2.

## DECLARATION BY THE AMALGAMATING COMPANY 2

We hereby declare that all relevant provisions of the Companies Act 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Disclosure Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in the Disclosure Document are true and correct.

**For Embassy One Commercial Property Developments Private Limited,**

Shaina

EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT. LTD.

**Shaina Ganapathy**
**Non-executive Director**
**DIN: 01777973**
**Date: 3 January 2022**
**Place: Bengaluru**



Shaina

EMBASSY ONE COMMERCIAL PROPERTY DEVELOPMENTS PVT. LTD.