DB REALTY
THE NEXT LEVEL

Date: August 12, 2021

The General Manager, **Listing Department** **BSE Limited** **PhirozeJeejeebhoy Towers,** **Dalal Street,** **Mumbai 400 001**	**The Vice-President,** **Listing Department** **National Stock Exchange of India Limited** **"Exchange Plaza",** **Bandra – Kurla Complex,** **Bandra (E),** **Mumbai – 400 051**
Scrip Code : 533160	Scrip Symbol : DBREALTY
Fax No.: 022 – 2272 3121/ 2039	Fax No.: 022 – 26598237/38

Dear Sir,

Sub: **Outcome of the Board Meeting-Submission of Unaudited standalone and consolidated Financial Results for the first quarter ended 30th June, 2021**

(The meeting of the Board of Directors of the Company commenced at 4.30 p.m and concluded at 8.15 p.m)

We are enclosing herewith the Unaudited standalone and consolidated Financial Results for the first quarter ended 30th June, 2021 approved at the Board Meeting held today along with Limited Review Report given by Statutory Auditors of the Company.

The above is for your information and record.

Thanking You,

Yours faithfully,

For D B Realty Limited

D B Realty Limited Mumbai

Jignesh Shah
Company Secretary

D B REALTY LIMITED
REGD. OFFICE : DB CENTRAL, MAULANA AZAD ROAD, RANGWALA COMPOUND, JACOB CIRCLE, MUMBAI - 400011
CIN L70200MH2007PLC166818

Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2021

(Rs. in Lacs other than EPS)

Sr.No	PARTICULARS	Quarter Ended			Year Ended
		Jun-21	Mar-21	Jun-20	Mar-21
		Unaudited	Audited (Refer Note 11)	Unaudited	Audited
1	Revenue from Operations	4.62	4.62	4.62	18.48
2	Other Income	579.03	8,604.89	2,894.30	14,758.15
3	Total Income	583.65	8,609.51	2,898.92	14,776.63
4	Expenses				
	a. Project Expenses	230.01	210.98	170.07	813.73
	b. Changes in inventories of finished goods, work-in progress and stock-in-trade	(230.01)	(210.98)	(170.07)	(813.73)
	c. Employee Benefits Expenses	43.93	47.05	45.10	193.11
	d. Depreciation and Amortisation	7.78	53.39	9.22	77.89
	e. Finance Costs	3,098.03	4,680.97	3,817.81	15,972.72
	f. Other Expenses	658.53	(1,009.10)	4,709.81	5,809.43
	Total Expenses (a+b+c+d+e+f)	3,808.27	3,772.31	8,581.94	22,053.15
5	Profit (Loss) before Exceptional items (3-4)	(3,224.62)	4,837.20	(5,683.02)	(7,276.52)
6	Exceptional Items (Profit on sale of investment in joint venture company)	-	-	-	18,067.75
7	Profit/ (Loss) before tax (5-6)	(3,224.62)	4,837.20	(5,683.02)	10,791.23
8	Tax Expenses				
	(a) Current tax	-	-	-	-
	(b) Deferred tax	118.10	1,171.60	289.00	1,764.21
	(c) Prior Period Tax Adjustment	3.68	(91.78)	(184.63)	121.07
	Total Tax expense	121.78	1,079.82	104.37	1,885.28
9	Net Profit (Loss) after tax (7-8)	(3,346.41)	3,757.38	(5,787.39)	8,905.95
10	Other Comprehensive Income				
	(a) Items that will not be reclassified to profit or loss	0.62	1,535.36	(6,745.54)	(6,420.12)
	(b) Income tax relating to items that will not be reclassified to profit or loss	(0.14)	(319.32)	1,403.04	1,335.33
	(c) Items that will be reclassified to profit or loss	-	-	-	-
	Total Other Comprehensive Income	0.48	1,216.04	(5,342.50)	(5,084.78)
11	Total Comprehensive Income for the period	(3,345.93)	4,973.44	(11,129.89)	3,821.17
12	Paid up Equity Share Capital (Face value of Rs. 10 per Equity Share)	24,325.88	24,325.88	24,325.88	24,325.88
13	Other Equity (Excluding Revaluation Reserve)				219,727.88
14	Basic and Diluted EPS (Rs.) (Not Annualised)				
	Basic	(1.38)	1.54	(2.38)	3.66
	Diluted	(1.38)	1.54	(2.38)	3.66
15	Items exceeding 10% of total Expenses				
	Share of Loss from Investment in Partnership Firms & LLP (Net)	609.15	(4,494.43)	147.40	(3,801.42)
	Provision for allowance for bad and doubtful Advance	4.58	(496.89)	661.92	1,560.63
	Provision for Impairment of Investments	-	-	2,541.76	2,541.76
	Compensation Expense	-	-	1,325.00	1,325.00

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Notes:-

1. The above standalone unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on August 12, 2021. The Statutory Auditors have carried out Limited review of the Standalone Unaudited Financial Results of the Company as per the requirements of SEBI (Listing and Other Disclosure requirements) Regulations, 2015, as amended.

2. The Company carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees of the Company. The bankers/ financial institutions provide a restrictive covenants while lending, not to charge guarantee commission for the financial guarantees provided by the Company. As per Ind AS 109 – "Financial Instruments", there has to be fair valuation of the financial guarantees and subsequent measurements thereof as per expected credit loss method. However, considering the restrictive covenants and its model of execution of the projects through such entities, the Management is of the opinion that there cannot be fair valuation of the financial guarantees issued aggregating Rs. 455,052.00 lacs as on June 30, 2021.

3. The Company has investments in certain subsidiaries and other parties aggregating Rs. 207,970.93 lacs and loans and receivables outstanding aggregating Rs. 93,981.08 lacs as at June 30, 2021. While such entities have incurred significant losses and/or have negative net worth as at June 30, 2021, the underlying projects in such entities are in the early stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments and loans in such entities as strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's investments in such entities and for expected credit losses in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.

4. Note on "Control" of the Company in Marine Drive Hospitality and Realty Private Limited (MDHRPL):

   a) Total 2,470,600 numbers of Redeemable optionally cumulative convertible preference shares ("ROCCPS") Series A and 29,415 numbers of ROCCPS Series C of MDHRPL held by the Company amounting to Rs. 556.83 lacs has been attached by an attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PMLA) and therefore, all the rights of the Company as a shareholder have been suspended till the time attachment continues. Therefore, the Company is of the view that the aforesaid shares can not be considered while applying the test of "Control" on MDHRPL.

   b) The Company is presently holding 92,600 numbers of cumulative convertible preference shares ("CCCPS") – Series C. The CCCPS - Series C which shall be convertible, in part or full in the ratio of 1:100 viz. 100 (One Hundred) fully paid up new Equity shares of Rs. 10/- each against 1 (one) CCCPS – Series C of Rs. 10/- each held by the Company. As per existing terms, the latest date of conversion of the aforesaid CCCPS – Series C is July 2021. However, this being strategic investment, the Company has decided not to exercise the option of conversion.

   c) In addition to the above, the Company is presently holding (i) 1,88,215 numbers of ROCCPS - Series C and (ii) 74,443 numbers of Cumulative Redeemable Convertible Preference Shares, which are having option of either redemption or conversion on different dates up to March 2021 and March 2022, respectively. As on date, the Management has decided not to opt for conversion of aforesaid shares.

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d) The Company has not nominated any director on the Board of MDHRPL.
On the basis of the above facts, the Management is not having effective control over MDHRPL. In view of the same, accounts of MDHRPL along with its subsidiaries, associates and joint ventures are not consolidated as per Ind AS 110. Further, equity instruments of MDHRPL are measured at fair value through other comprehensive income based on irrevocable designation at inception.

5. The Company is regularly coordinating with one of the financial institution for loan of Rs. 2,792.61 lacs (including overdue interest) which is subject to independent confirmation and is in the process of obtaining confirmation as on June 30, 2021. However, the Company has made adequate provision for interest as per terms and conditions.

6. The Company has incurred a net loss (including other comprehensive income) of Rs. 3,345.93 lakhs and has an accumulated loss of Rs. 27,097.28 lakhs (including other comprehensive income) as of that date and also had principal debt repayment obligations (including interest thereon) aggregating Rs. 101,027.86 Lacs within next twelve months. The Company has also incurred net cash losses for several years and no significant progress in development of projects undertaken in last several years due to sluggish demand in the real estate sector and it has defaulted in various debt obligations, employee benefits and trade payables. These could result in significant uncertainty on its ability to meet these debt obligations and continue as going concern. The Management is addressing this issue robustly and the Company has generally met its debt obligations, employee benefits and trade payables with some delays. The Management is confident that they will be able to arrange sufficient liquidity by restructuring of the existing loans terms, monetization of non-core assets and mobilisation of additional funds. Accordingly, the Standalone Unaudited Financial Results are prepared on a going concern basis.

7. The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown for specific period ordered by the Government of India and other restrictions by local authorities has resulted in significant reduction in economic activities and also the business operations of the Company in terms of delay in project progress and construction activities. The management has evaluated and considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets including the value of its inventories, investments and loans. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets including the value of its inventories, loans and investments as Company's projects and its investment/ loans granted projects are at very initial stage of development, However, since the projection of revenue of the Company will be ultimately dependent on project activities, project progress, availability of personnel, supply chain disruption, demand in real estate market, changes in market conditions and the trend of cash flows into real estate sector may have an adverse impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these Standalone Unaudited financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

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8. Based on settlement letter received from the financial institution, the Company has not recognized interest liability on borrowings for the period April 1, 2021 to June 30, 2021 as per terms and conditions of settlement agreement. The Company is repaid part of its principal overdues and expect to repay balance amount by October 31, 2021, if the Company does not honour the commitments as per the settlement terms, the company will be liable to pay interest @ Bank MCLR rate for the period of default/delay.

9. Based on the guiding principles given in Ind AS 108 "Operating Segments" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India, the Company is mainly engaged in the business of real estate development viz. construction of residential / commercial properties in India. As the Company's business falls within a single primary business segment, the disclosure requirements of Ind AS 108 in this regard are not applicable.

10. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

11. The figures of the March 31, 2021 quarter are the balancing figures between audited figures for the full financial year and published year to date figures up to third quarter of the financial year.

12. Figures for the previous quarters/ year are re-classified/re-arranged/re-grouped wherever required.

For D B Realty Limited

D B Realty Limited Mumbai

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Dated:- August 12, 2021
Place:- Mumbai

MUMBAI CHARTERED ACCOUNTANTS

HARIBHAKTI & CO. LLP
Chartered Accountants

Independent Auditor's Review Report on quarterly Unaudited Standalone Financial Results of D B Realty Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors
D B Realty Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of D B Realty Limited ("the Company") for the quarter ended June 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This 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" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Basis for Qualified Report:

   a. As stated in Note 2 to the Statement regarding the non-remeasurement of financial guarantees totaling to Rs. 455,052 lakhs issued to banks/ financial institutions on behalf of various entities at fair value as required under Ind AS 109 - Financial Instruments. In the absence of measurement of these financial guarantees at fair value, we are unable to comment on the consequential impact on the loss for the quarter ended June 30, 2021, if any.

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b. As stated in Note 3 to the Statement regarding the non-provision of impairment in accordance with Ind AS 109 - Financial Instruments and Ind AS 36 - Impairment of Assets, towards expected credit losses in respect of the loans and advances totaling to Rs. 93,981.08 lakhs and towards diminution in the value on the Company's investments totaling to Rs. 207,970.93 lakhs respectively as on June 30, 2021, that were advanced to certain subsidiaries and other parties which have incurred significant losses and/or have negative net worth as at June 30, 2021. We are unable to comment on the consequential impact of the impairment provision on the loss for the quarter ended June 30, 2021, if any.

c. As stated in Note 4 to the Statement regarding the recognition and measurement of its investments in equity instruments of one of its subsidiary company, Marine Drive Hospitality and Realty Private Limited ("MDHRPL"), at fair value through other comprehensive income which the Management has not considered as a subsidiary based on its irrevocable designation at inception. Had MDHRPL been treated as a subsidiary, then as per the Company's accounting policy, it should be measured at cost, subject to impairment of investment. Consequently, investments in these instruments and other comprehensive income are lower by Rs. 19,196.59 lakhs and Rs. 15,203.70 lakhs (net of tax) respectively as on June 30, 2021, after ignoring the impact of impairment, if any.

d. As stated in Note 5 to the Statement, regarding the loan from a financial institution amounting to Rs. 2,792.61 lakhs (including overdue interest thereon) which is subject to independent confirmation as at June 30, 2021. In the absence of independent confirmation, we are unable to comment on the consequential impact on the loss for the quarter ended June 30, 2021, if any.

5. Based on our review conducted as stated in paragraph 3 above, based on the consideration of the review reports of the other auditors referred to in paragraph 8 below and subject to the possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing 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.

6. **Material uncertainty relating to going concern:**
We draw attention to Note 6 to the Statement, which indicates that for the quarter ended June 30, 2021, the Company has incurred a net loss (including other comprehensive income) of Rs. 3,345.93 lakhs and has an accumulated loss of Rs. 27,097.28 lakhs (including other comprehensive income) as of that date. There is no progress in the development of projects undertaken since last several years and the Company has also incurred cash losses before exceptional items during last three years as well as there have been

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defaults in repayment of various debts and other obligations. The Company has principal debt repayment obligations (including interest thereon) aggregating Rs. 101,027.86 lacs within the next twelve months. The said assumption of going concern is dependent upon the Company's ability to raise funds through monetization of its non-core assets, mobilization of additional funds and other strategic initiative to meet its obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on the mitigating factors as mentioned above, the Statement has been prepared on a going concern basis.
Our report is not modified in respect of this matter.

7. We draw attention to the following matters:

   a. As stated in Note 7 to the Statement, which explains the uncertainties and the Management's evaluation of the financial impact on the Company due to lockdown and other restrictions imposed by the state government/municipal corporation on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

   b. As regards security deposits aggregating Rs. 6,092.17 lakhs as on June 30, 2021, given to various parties for acquisition of development rights, as explained by the Management, the Company is in the process of obtaining necessary approvals with regard to these properties and that their current market values are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of such projects.

   c. As regards status of inventories consisting of projects having aggregate value of Rs. 29,925.74 lakhs as on June 30, 2021 and the opinion framed by the Management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.

   d. As regards certain allegations made by the Enforcement Directorate against the Company and its two Key Managerial Persons, in a matter relating to Prevention of Money Laundering Act, 2002, this matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.

   e. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets aggregating to Rs. 714.52 lakhs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lakhs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A and Series C of a subsidiary company of Rs. 556.83 lakhs in earlier years. The impact, if any, of its outcome is currently unascertainable.

   f. The statutory auditors of the partnership firms, where the Company is one of the partner, have reported the following Emphasis of Matters on their respective unaudited interim financials for the quarter ended June 30, 2021:

      i. As regards recoverability of Trade Receivables of Rs. 4,930.33 lakhs as on June 30, 2021 which are attached under the Prevention of Money Laundering Act, 2002 are good for recovery and non-provision of expected credit losses on account of the undertaking given by the Company that it will bear the loss if the said trade receivables become bad.

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ii. Allegations made by the Central Bureau of Investigation (CBI) relating to the 2G spectrum case and regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002 and the undertaking given by the Company that it will bear the loss if there is any non / short realization of the attached asset.

These matters are sub-judice and the impact, if any, of its outcome is currently unascertainable.

iii. As regards pending dispute towards liability of property tax of the Firm with Municipal Corporation of Greater Mumbai / Slum Rehabilitation Authority for amount not paid of Rs. 102.35 lakhs and adjustment of amount paid under protest of Rs. 33.74 lakhs for the period on or after April 2012.

iv. As regards opinion framed by the firm with respect to utilization of balance of goods and service tax of Rs. 178.25 lakhs, which will be depended on future GST output liability.

v. As regards provision of Rs. 2,078.79 lakhs being made towards cost to be incurred for rectification of defects, if any, on 12 buildings which are yet to be handed over to Slum Rehabilitation Authority (SRA) and certain buildings which are already handed over. Further, after considering the revised time frame for completing the work and handing over the buildings to the SRA, provision for delayed charges of Rs. 647.95 lakhs has been accounted as at June 30, 2021.

vi. As regards order passed by Hon'ble Supreme Court of India confirming Order of Delhi High Court in one of the partnership firm, directing the Airport Authority of India (AAI) to conduct Aeronautical Studies without demolishing the structure of SRA buildings. In the opinion of the Management, the firm is hopeful for favourable outcome for construction activities from AAI and hence, it does not expect any financial outflow in this matter.

vii. There is significant uncertainty regarding completion of the Project in one of the partnership firm based on its management assessment and accordingly, the firm has not recognized revenue till such significant uncertainty exists.

viii. As regards disputed income tax demand of Rs. 2,812.51 lakhs and the members' commitment to reimburse interest / penalty of Rs. 5,584.91 lakhs that could devolve if the matter is decided against the said partnership firm.

Observations made by us in the above paragraphs (b) to (f) and their impact on the Statement have not been disclosed in notes to the Statement.

Our report is not modified in respect of the above matters.

8. Share of loss (net) from investment in three partnership firms and one limited liability partnerships aggregating to Rs. 609.30 lakhs for the quarter ended June 30, 2021, included in the Statement, are based on the unaudited financial results of such entities. These unaudited financial results have been reviewed by the auditors of these entities, whose reports have been furnished to us by the Management and our review report on the Statement is based solely on such review reports of the other auditors. Our report on the Statement is not modified in respect of the above matter.

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9. The Statement also includes share of profit (net) from investment in three limited liability partnerships and two joint ventures aggregating Rs. 0.15 lakhs for the quarter ended June 30, 2021, which are based on the financial results of such entities. These financial results have not been reviewed/audited by their auditors and have been furnished to us by the Management. According to the information and explanations given to us by the Management, these financial results are not material to the Company. Our report on the Statement is not modified in respect of the above matter.

For Haribhakti & Co. LLP
Chartered Accountants
CAI Firm Registration No.103523W/W100048

Snehal Shah
Partner
Membership No.: 048539
UDIN: 48539AAAEH5435
Place: Mumbai
Date: August 12, 2021

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D B REALTY LIMITED GROUP

REGD. OFFICE : DB CENTRAL, MAULANA AZAD ROAD, RANGWALA COMPOUND, JACOB CIRCLE, MUMBAI - 400011

CIN L70200MH2007PLC166818

Statement of Consolidated Financial Results for the quarter ended June 30, 2021

(Rs. in Lacs other than EPS)

	PARTICULARS	Quarter Ended			Year Ended
		Jun-21	Mar-21	Jun-20	Mar-21
		Unaudited	Audited (Refer Note 13)	Unaudited	Audited
1	Revenue from operations	694.98	470.79	126.35	2,455.77
2	Other Income	562.76	4,231.24	2,761.53	10,701.36
3	Total Income (1+2)	1,257.74	4,702.03	2,887.88	13,157.13
4	Expenses				
	a. Project Expenses / Cost to fulfil contracts with customers	4,497.00	11,987.17	2,483.98	20,679.27
	b. Changes in inventories of finished goods and work-in-progress	(2,381.41)	(14,949.15)	(1,818.48)	(22,398.31)
	c. Employee Benefits Expenses	185.08	137.51	220.44	864.82
	d. Depreciation and Amortisation	21.11	66.82	22.83	132.43
	e. Finance Costs (Refer Note no.12)	6,656.87	11,683.79	8,019.69	33,380.68
	f. Other Expenses	173.55	3,479.80	6,489.19	12,175.81
	Total Expenses (a+b+c+d+e+f)	9,152.20	12,405.94	15,417.65	44,834.70
5	Profit/(Loss) before Exceptional items and tax (3-4)	(7,894.46)	(7,703.91)	(12,529.77)	(31,677.57)
6	Exceptional items/donation (Profit on sale of investment in joint venture company)	-	-	-	(17,567.63)
7	Profit/(Loss) before tax (5-6)	(7,894.46)	(7,703.91)	(12,529.77)	(14,109.94)
8	Tax Expenses				
	(a) Current tax	-	(1.31)	-	(1.31)
	(b) Deferred tax	(536.85)	(424.26)	15.28	(379.89)
	(c) Prior Period Tax Adjustment	(3.74)	91.78	184.63	(121.07)
	Total Tax expense (a+b+c)	(540.58)	(333.79)	199.91	(502.27)
9	Profit/(Loss) for the period (7+8)	(8,435.04)	(8,037.71)	(12,329.86)	(14,612.21)
10	Share of profit/(loss) of joint venture and associates	(1,183.57)	(165.51)	31.49	(2,072.65)
11	Profit/(Loss) after tax (9+10)	(9,618.61)	(8,203.22)	(12,298.37)	(16,684.86)
12	Other Comprehensive Income				
	(a) Items that will not be reclassified to profit or loss	14.32	1,722.61	(7,032.54)	(6,524.38)
	(b) Income tax relating to items that will not be reclassified to profit or loss	(0.14)	(316.08)	1,402.59	1,336.79
	(c) Items that will be reclassified to profit or loss	-	-	-	-
	Total Other Comprehensive Income (a+b+c)	14.18	1,406.53	(5,629.95)	(5,187.59)
13	Total Comprehensive Income for the period (11+12)	(9,604.43)	(6,796.68)	(17,928.32)	(21,872.46)
	Profit after tax				
	Attributable to :				
	Owner of equity	(9,238.14)	(9,368.89)	(11,669.34)	(16,973.13)
	Non controlling interest	(380.47)	1,165.68	(629.03)	288.27
	Total	(9,618.61)	(8,203.22)	(12,298.37)	(16,684.86)
	Other Comprehensive Income				
	Attributable to :				
	Owner of equity	14.18	1,404.65	(5,629.95)	(5,189.47)
	Non controlling interest	-	1.88	-	1.88
	Total	14.18	1,406.53	(5,629.95)	(5,187.59)
	Total Comprehensive Income				
	Attributable to :				
	Owner of equity	(9,223.96)	(7,964.24)	(17,299.29)	(22,162.60)
	Non controlling interest	(380.47)	1,167.56	(629.03)	290.15
	Total	(9,604.43)	(6,796.68)	(17,928.32)	(21,872.45)

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14	Paid up Equity Share Capital (Face value of Rs. 10 per Equity Share)	24,325.88	24,325.88	24,325.88	24,325.88
15	Other Equity (excluding Revaluation Reserve)				109,253.85
16	Basic and Diluted EPS (Rs.) (Not Annualised)				
	Basic	(3.80)	(3.85)	(4.80)	(6.98)
	Diluted	(3.80)	(3.85)	(4.80)	(6.98)
17	Items exceeding 10% of total Expenses				
	Provision for impairement of goodwill	-	3,126.72	-	3,126.72
	Legal and Professional charges	83.93	135.76	62.36	403.81
	Miscellaneous Expenses	48.73	103.80	28.71	189.94
	Advertisement and Publicity	18.79	89.09	22.74	155.78
	Compensation for Cancelled Flats/dispute	16.65	(113.44)	1,326.46	1,325.00
	Sundry Balance written off	3.19	3,887.22	-	3,891.98
	Provision for doubtful debts, loans and advances	5.42	(4,056.89)	5,007.08	2,605.40

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Notes:-

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on August 12, 2021. The Statutory Auditors have carried out Limited Review of the Unaudited Consolidated Financial Results of D B Realty Limited ("the Parent Company") as per the requirements of SEBI (Listing and Other Disclosure requirements) Regulations, 2015, as amended.

2. The group carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees of the Parent. The bankers / financial institutions provide a restrictive covenant while lending, not to charge guarantee commission for the financial guarantees provided by the Parent. As per Ind AS 109 – "Financial Instruments", there has to be fair valuation of the financial guarantees and subsequent measurements thereof as per expected credit loss method. However, considering the restrictive covenants and its model of execution of the projects through such entities, the Management is of the opinion that there cannot be fair valuation of the financial guarantees issued aggregating Rs. 275,800.00 lacs as on June 30, 2021.

3. The group has investments in certain associates, joint venture and other parties aggregating Rs. 1,29,124.83 lacs and loans and receivables outstanding aggregating Rs. 54,334.63 lacs as at June 30, 2021. While such entities have incurred significant losses and/or have negative net worth as at June 30, 2021, the underlying projects in such entities are in the early stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The group considers its investments and loans in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the group's investments in such entities and for expected credit losses in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.

4. Note on "Control" of the D B Realty Limited (Parent Company) in Marine Drive Hospitality and Realty Private Limited (MDHRPL):

   a) Total 2,470,600 numbers of Redeemable optionally cumulative convertible preference shares ("ROCCPS") Series A and 29,415 numbers of ROCCPS Series C of MDHRPL held by the Parent Company amounting to Rs 556.83 lacs has been attached by an attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PMLA) and therefore, all the rights of the Parent Company as a shareholder have been suspended till the time attachment continues. Therefore, the Parent Company is of the view that the aforesaid shares can not be considered while applying the test of "Control" on MDHRPL.

   b) The Parent Company is presently holding 92,600 numbers of cumulative convertible preference shares ("CCCPS") – Series C. The CCCPS - Series C which shall be convertible, in part or full in the ratio of 1:100 viz. 100 (One Hundred) fully paid up new Equity shares of Rs. 10/- each against 1 (one) CCCPS – Series C of Rs. 10/- each held by the Parent Company. As per existing terms, the latest date of conversion of the aforesaid CCCPS – Series C is July 2021. However, this being strategic investment the Parent Company has decided not to exercise the option of conversion.

   c) In addition to the above, the Parent Company is presently holding (i) 1,88,215 numbers of ROCCPS - Series C and (ii) 74,443 numbers of Cumulative Redeemable Convertible Preference Shares, which are having option of either redemption or conversion on different dates up to March 2021 and March 2022, respectively. As on date, the Management has decided not to opt for conversion of aforesaid shares.

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d) The Parent Company has not nominated any director on the Board of MDHRPL.

On the basis of the above facts, the Management is not having effective control over MDHRPL. In view of the same, accounts of MDHRPL along with its subsidiaries, associates and joint ventures are not consolidated as per Ind AS 110. Further, equity instruments of MDHRPL are measured at fair value through other comprehensive income based on irrevocable designation at inception.

5. The Parent company is regularly coordinating with one of the financial institution for loan of Rs. 2,792.61 lacs (including overdue interest) which is subject to independent confirmation and is in the process of obtaining confirmation as on June 30, 2021. However, the parent company has made adequate provision for interest as per terms and conditions.

6. Real Gem Buildtech Private Limited (a wholly owned subsidiary company of the Company, hereinafter referred to as "WOS") has during the year ended 31st March, 2019 filed a Scheme with National Company Law Tribunal whereby it has proposed to transfer its all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on going concern basis as Slump Sale to Kingmaker Developers Private Limited ("KDPL") for a total consideration of Rs. 10 lacs. Additionally, as mentioned in the scheme, upon achieving certain milestones to be mutually agreed between the said WOS and KDPL, the said WOS shall be entitled to receive the such realisation / sale proceeds of the Project Undertaking as a Contingent consideration payable in the future by KDPL. The Management is hopeful that the said Project Undertaking will be able to achieve those milestones and the above future Contingent consideration will accrue to the said WOS. Accordingly, no provision of impairment of goodwill is considered necessary by the Group.
Further, the said WOS has shown its assets and liabilities relating to project undertaking as assets held for sale and liabilities pertaining to disposal group in accordance with Ind AS 105.

7. One of the associate company has not recognized interest liability (including overdue interest and penalty) on borrowings as per terms and conditions as the lender is in liquidation/stress and the associate company is under discussion with the lender for the settlement of liability. Further, the associate company has not received any confirmation from lender on interest liabilities. The associate company will recognize its interest liability at the time of settlement.

8. The Group incurred a net loss (including other comprehensive income) of Rs. 9,604.43 lakhs and has an accumulated loss of Rs. 143,584.82 lakhs (including other comprehensive income) as of that date and also has principal debt repayment obligations (including interest thereon) aggregating Rs. 149,718.78 Lacs within next twelve months. The group has also incurred net cash losses for more than 3 years and no significant progress in development of projects undertaken in last several years due to sluggish demand in the real estate sector and it has defaulted in various debt and other obligations. These could result in significant uncertainty on its ability to meet these debt obligations and continue as going concern. The management is addressing this issue robustly and the Group has generally met its debt and other obligations with some delays. The Management is confident that they will be able to arrange sufficient liquidity by restructuring of the existing loans terms, monetization of non-core assets and mobilisation of additional funds. Accordingly, the unaudited Consolidated Financial Results are prepared on a going concern basis.

9. The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Group in terms of delay in project progress and construction activities. The management has evaluated and considered the possible effects that may result from the pandemic on the recoverability/carrying value of the assets including the value of its inventories, investments

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and loans. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets including the value of its inventories, loans and investments as Group's projects and its investment/ loans granted projects are at various stage of development. However, since the projection of revenue of the Group will be ultimately dependent on project activities, project progress, availability of personal, supply chain disruption, demand in real estate market, changes in market conditions and the trend of cash flows into real estate sector may have an impact on the operations of the Group. Since the situation is rapidly evolving, its effect on the operations of the Group may be different from that estimated as at the date of approval of these financial results. The Group will continue to closely monitor material changes in markets and future economic conditions.

10. Based on settlement letter received from the financial institution, the Parent Company has not recognized interest liability on borrowings for the period April 1, 2021 to June 30, 2021 as per terms and conditions of settlement agreement. The Parent Company is repaid part of its principal overdues and expect to repay balance amount by October 31, 2021, if the Parent Company does not honour the commitments as per the settlement terms, the company will be liable to pay interest @ Bank MCLR rate for the period of default/delay.

11. Based on the guiding principles given in Ind AS 108 "Operating Segments" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India, the group is mainly engaged in the business of real estate development viz. construction of residential / commercial properties in India. As the group business fall within a single primary business segment, the disclosure requirements of Ind AS 108 in this regard are not applicable.

12. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

13. The figures of the March quarters are the balancing figures between audited figures for the full financials year and published year to date figures upto third quarter of the financial year.

14. Figures for the previous quarter/ year are re-classified/re-arranged/re-grouped wherever required.

For D B Realty Limited

D B Realty Limited Mumbai

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Dated:- August 12, 2021
Place:- Mumbai

Haribhakti & Co. LLP Mumbai Chartered Accountants

HARIBHAKTI & CO. LLP
Chartered Accountants

Independent Auditor's Review Report on quarterly Unaudited Consolidated Financial Results of D B Realty Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors
D B Realty Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **D B Realty Capital Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive income of its associates and joint ventures for the quarter ended June 30, 2021 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended .

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent'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" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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4. The Statement includes the results of the following entities:

Sr. No.	Name of the Entity	Relationship
1.	D B Realty Limited	Parent
2.	DB Man Realty Limited	Subsidiary
3.	Esteem Properties Private Limited	Subsidiary
4.	Goregoan Hotel and Realty Private Limited	Subsidiary
5.	Neelkamal Realtors Suburban Private Limited	Subsidiary
6.	NeelKamal Shantinagar Properties Private Limited	Subsidiary
7.	Real Gem Buildtech Private Limited	Subsidiary
8.	Saifee Bucket Factory Private Limited	Subsidiary
9.	N.A. Estate Private Limited	Subsidiary
10.	Royal Netra Constructions Private Limited	Subsidiary
11.	Nine Paradise Erectors Private Limited	Subsidiary
12.	MIG Bandra Realtor and Builder Private Limited	Subsidiary
13.	Spacecon Realty Private Limited	Subsidiary
14.	Vanita Infrastructure Private Limited	Subsidiary
15.	DB Contractors and Builders Private Limited	Subsidiary
16.	DB View Infracon Private Limited	Subsidiary
17.	DB (BKC) Realtors Private Limited	Joint Venture
18.	Neelkamal Realtors Tower Private Limited	Associate
19.	Sangam City Town Ship Private Limited	Associate
20.	D B Hi-Sky Construction Private Limited	Associate
21.	Shiva Realtors Suburban Private Limited	Associate
22.	Shiva Buildcon Private Limited	Associate
23.	Shiva Multitrade Private Limited	Associate
24.	Horizontal Realty and Aviation Private Limited (along with Milan Theatres Private Limited, subsidiary company)	Step down Subsidiary
25.	Turf Estate Realty Private Limited	Step down Joint Venture

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26.	Pandora Projects Private Limited	Step down Joint Venture
	Partnership Firms/ LLP's/Association of Persons	
27.	Mira Real Estate Developers	Subsidiary
28.	Conwood -DB Joint Venture (AOP)	Subsidiary
29.	ECC - DB Joint Venture (AOP)	Subsidiary
30.	Turf Estate Joint Venture (AOP)	Subsidiary
31.	Innovation Electors LLP	Subsidiary
32.	Turf Estate Joint Venture LLP	Joint Venture
33.	M/s Dynamix Realty	Joint Venture
34.	M/s DBS Realty	Joint Venture
35.	Lokhandwala Dynamix-Balwas JV	Joint Venture
36.	DB Realty and Shreepati Infrastructures LLP	Joint Venture
37.	Sneh Developers	Step down Joint Venture
38.	Evergreen Industrial Estate	Step down Joint Venture
39.	Shree Shantinagar Venture	Step down subsidiary
40.	Suraksha DB Realty	Step down Joint Venture
41.	Lokhandwala DB Realty LLP	Step down Joint Venture
42.	OM Metal Consortium	Step down Joint Venture
43.	Ahmednagar Warehousing Developers and Builders LLP	Step down Joint Venture
44.	Solapur Warehousing Developers and Builders LLP	Step down Joint Venture
45.	Aurangabad Warehousing Developers Builders LLP	Step down Joint Venture
46.	Latur Warehousing Developers and Builders LLP	Step down Joint Venture
47.	Saswad Warehousing Developers and Builders LLP	Step down Joint Venture

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5. **Basis for Qualified Opinion**

a. As stated in Note 2 to the Statement regarding non-remeasurement of financial guarantees totalling to Rs. 275,800.00 lakhs issued to banks/ financial institutions on behalf of various entities at fair value as required under Ind AS 109 - Financial Instruments. In the absence of measurement of these financial guarantees at fair value, we are unable to comment on the consequential impact on the consolidated loss for the quarter ended June 30, 2021, if any.

b. As stated in Note 3 to the Statement regarding non-provision of impairment provision in accordance with Ind AS 109 - Financial Instruments and Ind AS 36 - Impairment of Assets, towards expected credit losses in respect of the loans and receivables totalling to Rs. 54,334.63 lakhs and towards diminution in the value on the company's investments totalling to Rs. 129,124.83 lakhs, respectively, as on June 30, 2021 that the Company has advanced to certain associates, joint ventures and other parties which have incurred significant losses and/or have negative net worth as at June 30, 2021. We are unable to comment on the consequential impact of impairment provision on the consolidated loss for the quarter ended June 30, 2021, if any.

c. As stated in Note 4 to the Statement, the financial statements of one of the subsidiary company and its subsidiaries/ associates/ joint ventures have not been consolidated in the Statement, since the Management has not considered them as a subsidiary based on its irrevocable designation as Investments at fair value through other comprehensive income, at inception. The Parent controls the subsidiary company in terms of Ind AS 110 - Consolidated Financial Statements. In absence of the availability of the consolidated financial statements of such subsidiary company, we are unable to comment on the consequential impact of consolidation of the said subsidiary company on the Statement, if any.

d. As stated in Note 5 to the Statement, regarding the loan from a financial institution amounting to Rs. 2,792.61 lakhs (including overdue interest thereon) taken by the Parent and which is subject to independent confirmation as at June 30, 2021. In the absence of independent confirmation, we are unable to comment on the consequential impact on the consolidated loss for the quarter ended June 30, 2021, if any.

e. As stated in Note 6 to the Statement, regarding non impairment of goodwill as on June 30, 2021, created for one of the subsidiary company amounting to Rs. 15,194.80 lakhs as required under 'Ind AS 36 - Impairment of Assets'. Based on the circumstances as detailed in the aforesaid note, in our view, goodwill needs to be tested for impairment and provision, if any, is required to be made in this regard. In the absence of impairment testing and the determination of value of the future contingent consideration, goodwill has been entirely carried in the Statement. We are unable to comment on the consequential impact on the consolidated loss for the quarter ended June 30, 2021, if any.

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f. As stated in Note 7 to the Statement, regarding the non recognition of interest liability (including overdue interest and penalty) on borrowings as per terms and conditions in the books of one of the associate company. Had the same been computed and provided for, the share of the loss of associate would have been increased to that extent. In the absence of computation and evaluation of the interest liability payable by the said associate company, we are unable to comment on the consequential impact of the same on the consolidated loss for the quarter ended June 30, 2021, if any.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 9 below and subject to the possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing 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.

7. **Material uncertainty relating to going concern:**

We draw attention to Note 8 to the Statement in respect of the Group (including its associates and joint ventures), which indicates that for the quarter ended June 30, 2021, the Group (including its associates and joint ventures) has incurred a consolidated net loss of Rs. 9,604.43 lakhs (including other comprehensive income) and has accumulated losses of Rs. 143,584.82 lakhs as of that date. The Group has principal debt repayment obligations (including interest thereon) aggregating Rs. 149,718.78 Lacs within next twelve months. There is no significant progress in the development of various projects undertaken since last several years and they are also incurring cash losses since last several years, litigations involved in various projects/ development activities and there have been defaults in repayment of various debt and other obligations. The said assumption of going concern is dependent upon the ability of the Group (including its associates and joint ventures) to raise funds through monetization of its non-core assets, mobilization of additional funds and other strategic initiative to meet its obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the ability of the Group (including its associates and joint ventures) to continue as a going concern. However, based on the mitigating factors as mentioned above, the Statement has been prepared on a going concern basis.

Our report is not modified in respect of the above matter.

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8. We draw attention to the following matters:

   a. As stated in Note 9 to the Statement, which explains the uncertainties and the Management's evaluation of the financial impact on the Group (including its associates and joint ventures) due to lockdown and other restrictions imposed by the state government/municipal corporation on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

   b. As regards security deposits aggregating Rs. 6,092.17 lakhs as on June 30, 2021, given by Parent to various parties for acquisition of development rights, as explained by the Management, the Parent is in the process of obtaining necessary approvals with regard to these properties and that their current market values are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of such projects.

   c. As regards status of inventories consisting of projects having aggregate value of Rs. 29,925.74 lakhs of the Parent as on June 30, 2021 and the opinion framed by the Management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.

   d. As regards certain allegations made by the Enforcement Directorate against the Parent and its two Key Managerial Persons, in a matter relating to Prevention of Money Laundering Act, 2002, this matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.

   e. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Parent's assets aggregating Rs. 714.52 lakhs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lakhs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A and Series C of a subsidiary company of Rs. 556.83 lakhs in earlier years. The impact, if any, of its outcome is currently unascertainable.

   f. The statutory auditors of the partnership firms, where the Parent is one of the partner, have reported the following Emphasis of Matters on their respective unaudited interim financial for the quarter ended June 30, 2021:

      i. As regards recoverability of Trade Receivables of Rs. 4,930.33 lakhs as on June 30, 2021 which are attached under the Prevention of Money Laundering Act, 2002 are good for recovery and non-provision of expected credit losses on account of the undertaking given by the Parent that it will bear the loss if the said trade receivables become bad.

      ii. Allegations made by the Central Bureau of Investigation (CBI) relating to the 2G spectrum case and regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002 and the undertaking given by the Parent that it will bear the loss if there is any non / short realization of the attached asset.

      These matters are sub-judice and the impact, if any, of its outcome is currently unascertainable.

      iii. As regards pending dispute towards liability of property tax of the Firm with Municipal Corporation of Greater Mumbai / Slum Rehabilitation Authority for amount not paid of

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Rs. 102.35 lakhs and adjustment of amount paid under protest of Rs. 33.74 lakhs for the period on or after April 2012.

iv. As regards opinion framed by the firm with respect to utilization of balance of goods and service tax of Rs. 178.25 lakhs, which will be depended on future GST output liability.

v. As regards provision of Rs. 2,078.79 lakhs being made towards cost to be incurred for rectification of defects, if any, on 12 buildings which are yet to be handed over to Slum Rehabilitation Authority (SRA) and certain buildings which are already handed over. Further, after considering the revised time frame for completing the work and handing over the buildings to the SRA, provision for delayed charges of Rs. 647.95 lakhs has been accounted as at June 30, 2021.

vi. As regards order passed by Hon'ble Supreme Court of India confirming Order of Delhi High Court in one of the partnership firm, directing the Airport Authority of India (AAI) to conduct Aeronautical Studies without demolishing the structure of SRA buildings. In the opinion of the Management, the firm is hopeful for favourable outcome for construction activities from AAI and hence, it does not expect any financial outflow in this matter.

vii. There is significant uncertainty regarding completion of the Project in one of the partnership firm based on its management assessment and accordingly, the firm has not recognized revenue till such significant uncertainty exists.

viii. As regards disputed income tax demand of Rs. 2,812.51 lakhs and the members' commitment to reimburse interest / penalty of Rs. 5,584.91 lakhs that could devolve if the matter is decided against the said partnership firm.

g. In case of a subsidiary company, with regards to status of the project, including the agreements/ arrangements with Society and Joint Venture Partner appointed for the project is in dispute with them. The management of the said subsidiary are hopeful for favorable resolution with the Society and the Joint Venture Partner and does not expect additional financial implications.

h. In case of a subsidiary company, with regards to the opinion framed by the management of the subsidiary company that there is no suspension in the active development of the project and hence, the requirements of the Para 20 of Ind AS 23 issued by the Institute of Chartered Accountants of India ("ICAI") relating to the suspension of capitalization of borrowing costs as part of cost of a qualifying asset, does not apply to its facts and circumstances and accordingly, the subsidiary company has continued to capitalize borrowing costs of Rs. 7,727.79 lakhs as part of the project cost.

i. The status of various ongoing projects, recognition of expense and income and the realizable value of the cost incurred, are as per the judgment of management of the respective entities and certified by their technical personnel and being of technical nature, have been relied upon by respective auditors of such entities.

j. In case of a joint venture, advances totaling to Rs. 16,267.30 lakhs as at June 30, 2021, were given to various parties for acquisition of tenancy rights. As explained by the Management of such joint venture, the joint venture is in process of obtaining tenancy rights from remaining unsettled tenants and necessary approvals with regard to project development.

k. In case of certain subsidiary companies, project cost carried in inventory totaling to Rs. 148,617.72 lakhs as on June 30, 2021 are under litigation and are sub-judice. Based on the assessment done by

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the Management of the respective entities, no adjustments are considered necessary in respect of recoverability of these balances. The impact, if any, of the outcome is unascertainable at present.

l. In case of a subsidiary company, with regards to acquisition of certain debts by way of assignment from a Bank and an ARC Company amounting Rs. 44,675.65 lakhs as on June 30, 2021, for which the Hon'ble Bombay High Court has appointed the court receiver and directed to take possession of the said assets and recovery from sale of these assets. These receivables are measured at fair value through profit or loss as the said financial assets do not satisfy the criteria to measure the same at amortised cost or at FVTOCI. In view of the same, the impairment loss provided by applying the expected credit loss model is reversed during the year.

m. In case of a subsidiary company, with regards to the status of the amounts due to a financial institution totaling to Rs. 2,000.00 lakhs as on June 30, 2021 in respect of which the terms & condition are pending for execution by that subsidiary company.

n. In case of a subsidiary company, with regards to the memorandum of understanding entered into with a party for acquiring part of the rights in leasehold land for development thereof, including advances granted / to be granted and the implications if it is not able to complete its obligations within the agreed timelines.

o. In case of a subsidiary company, with regards to the accounting, disclosures and financial implications for the proposed transfer of all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on a going concern basis as Slump Sale to KDPL and adjustment of the profit / loss relating to the said Project Undertaking, being carried out by the said subsidiary in trust for KDPL.

p. In case of a subsidiary company, with regards to trade advances of Rs. 20.92 Lakhs granted to certain parties which are outstanding for more than three years and on which no provision for doubtful advances was created on account of management assessment that these are good and fully recoverable.

q. In case of a subsidiary company, as regards the carrying amount of deferred tax asset of Rs. 5,761.20 lakhs that is brought forward as on April 1, 2021, no adjustment has been made during the quarter to the carrying amount based on the management's estimate of profit on completion of the project and consequent utilization thereof.

r. In case of a subsidiary company, as regards charges created on 345 units under construction forming part of the subsidiary's project in respect of borrowings obtained from the entity, with whom the subsidiary company proposes to rescind the agreement and against whom insolvency and bankruptcy proceedings have been initiated by the Hon'ble National Company Law Tribunal and as regards status of the agreements entered into with the entity and settlement of accounts with it.

s. In case of a subsidiary company, as regards its management opinion with respect to claims on amounts refundable on cancellation of flats of Rs. 1,299.69 lakhs and realization of debts from customers of Rs. 29,333.61 lakhs.

t. In case of a subsidiary company, as regards liability towards the approval cost of Rs. 37,683.84 lakhs based on the offer letters from MHADA and claim of interest thereon.

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u. In case of a subsidiary company, there is a non-provision of interest on disputed property tax matters of Rs. 2,761.25 lakhs as on June 30, 2021.

v. In respect of certain subsidiary companies and associates for which Ind AS financial results for the quarter ended June 30, 2021 have neither been reviewed by us nor by respective auditors of those entities and have been furnished to us by the Management of the Parent. As on March 31, 2021, the respective auditors of the said entities have raised attention to following matters, for which the Management of the Parent has informed that there has been no update/ change in the status of the matters.

   1. In case of a step down subsidiary company, as regards recoverability aspect of loans of Rs. 762.20 lakhs which includes loan to a third party which are subject to confirmation and also to the opinion of the Management of such step down subsidiary company, that all the loans are good for recovery.
   2. In case of a step down subsidiary company, non-provision of disputed service tax demand of Rs. 1,843.77 lakhs as on June 30, 2021.
   3. In case of a step down subsidiary company, the Management's decision of acquiring equity shares of Milan Theatres Private Limited and providing for permanent diminution in value thereof.
   4. In case of a step down subsidiary company, as regards certain Trade Payable, Contractors' Retention Money and Mobilisation Advance in its financial statements is subject to confirmation.

Observation made by us in the above paragraphs (b) to (v) and their impact on the Statement, have not been disclosed in the notes to the Statement.

9. We did not review the interim financial results of seven subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues of Rs. 750.81 lakhs, total net loss after tax of Rs. 2,637.47 lakhs and total comprehensive loss of Rs. 2,628.18 lakhs, for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of net loss after tax of Rs. 885.66 lakhs and total comprehensive loss of Rs. 885.66 lakhs for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results, in respect of one associate and four joint ventures (including one step down joint ventures), whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our report on the Statement is not modified in respect of the above matter.

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10. The unaudited consolidated financial results includes the interim financial results of fifteen subsidiaries (including two step down subsidiaries) which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 2.47 lakhs, total net loss after tax of Rs. 1,541.34 lakhs and total comprehensive loss of Rs. 1,541.34 lakhs for the quarter ended June 30, 2021 as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of net profit after tax of Rs. 5.32 lakhs and total comprehensive profit of Rs. 5.32 lakhs for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results, in respect of five associates and thirteen joint ventures (including eleven step down joint ventures), based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group including its associates and joint ventures.

Our report on the Statement is not modified in respect of the above matter.

For Haribhakti & Co. LLP
Chartered Accountants
CAI Firm Registration No.103523W/W100048

Snehal Shah
Partner
Membership No.: 048539
UDIN: 21048539AAAAE11194
Place: Mumbai
Date: August 12, 2021

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS