



## Indiabulls Real Estate

		Rs123	Buy
BSE SENSEX	S&P CNX		
19,183	5,752		
Bloomberg	IBRELIN		
Equity Shares (m)	401.1		
52-Week Range	219/115		
1,6,12 Rel. Perf. (%)	-6/-33/-51		
M.Cap. (Rs b)	49.3		
M.Cap. (USD b)	1.1		

- 3QFY11 results better than expected:** Indiabulls Real Estate (IBREL) reported better than expected results for 3QFY11. Revenue grew ~967% YoY to Rs4b (v/s Rs375m in 3QFY10 and Rs3b in 2QFY11), while net profit jumped ~2,662% YoY to Rs766m (v/s Rs28m in 3QFY10 and Rs509m in 2QFY11). EBITDA increased to Rs1.2b v/s a loss of Rs322m in 3QFY10 and profit of Rs812m in 2QFY11. EBITDA margin was 30.7% in 3QFY11 (v/s 27% in 2QFY11).
- Steady sales momentum in mid-income segment:** During 3QFY11, IBREL witnessed robust residential sales of ~2.3msf (v/s 1.8msf in 2QFY11) amounting to ~Rs8.7b (v/s Rs31b in 2QFY11). With this, total sales for its ongoing projects are Rs56.7b (for ~7.1msf). Average realization has declined to Rs3,773/sf (v/s Rs17,216/sf in 2QFY11). This indicates a sharp fall in sales momentum in IBREL's key super luxury projects in central Mumbai. However, strong volume implies steady demand in mid-income projects across other micro-markets. IBREL has achieved ~0.25msf of additional leasing in 3QFY11, leading to total leased area of 1.4msf.
- Board approves restructuring of power business:** IBREL's board has approved the restructuring of the power and infrastructure business. IBREL will transfer the power business, comprising of 59% stake in Indiabulls Power (listed company) as a going concern to Indiabulls Infrastructure & Power (I IPL), a 100% subsidiary of IBREL. Shareholders of IBREL will be entitled to 2.95 shares of I IPL for every 1 share held in IBREL. The management has mentioned that I IPL will eventually get listed on stock exchanges through a de-merger scheme.
- Upgrading FY11 EPS estimate to Rs5.4:** We are revising our FY11 revenue estimate to Rs11.9b (Rs8.1b earlier) and PAT estimate to Rs2.2b (Rs1.4b earlier), implying EPS of Rs5.4 (v/s Rs3.5 earlier) to incorporate the stronger than expected monetization of its projects at Panvel (Mumbai), and NCR. We have rolled over our NAV estimate to FY13 at Rs291/share, while our FY12E NAV has been revised to Rs256/share (Rs280/share earlier, primarily to incorporate the lower probability of getting incentive FSI at Worli Mill land). IBREL is available at 52% discount to its FY12E NAV of Rs256/share and trades at 0.47x FY12E BV of Rs257. Maintain **Buy**.

### QUARTERLY PERFORMANCE

Y/E MARCH	(Rs Million)								FY10	FY11E
	FY10				FY11					
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Sales</b>	<b>179</b>	<b>132</b>	<b>375</b>	<b>607</b>	<b>1,717</b>	<b>3,000</b>	<b>3,997</b>	<b>3,142</b>	<b>1,294</b>	<b>11,856</b>
Change (%)	84.6	-83.8	-3.8	-22.5	858.4	2,164.7	966.8	417.4	-38.0	816.5
Total Expenditure	479	462	696	728	1,500	2,188	2,768	2,254	2,365	8,710
<b>EBITDA</b>	<b>-300</b>	<b>-330</b>	<b>-322</b>	<b>-121</b>	<b>217</b>	<b>812</b>	<b>1,229</b>	<b>888</b>	<b>-1,072</b>	<b>3,146</b>
Change (%)	-2,337.8	245.9	88.0	-62.0	172.2	346.4	482.0	836.9		
As % of Sales	-167.5	-248.8	-85.9	-19.8	12.6	27.1	30.7	28.3	-82.9	26.5
Depreciation	30	31	32	33	33	42	73	80	126	228
Interest	31	21	43	2	10	116	18	179	97	323
Other Income	313	612	480	294	206	244	182	252	1,699	883
<b>PBT</b>	<b>-48</b>	<b>231</b>	<b>83</b>	<b>138</b>	<b>378</b>	<b>897</b>	<b>1,320</b>	<b>882</b>	<b>404</b>	<b>3,478</b>
Tax	144	132	-16	76	127	393	536	240	337	1,295
Effective Tax Rate (%)	-300.5	57.1	-18.7	55.2	33.5	43.8	40.6	27.2	83.3	37.2
<b>Reported PAT</b>	<b>-193</b>	<b>99</b>	<b>99</b>	<b>62</b>	<b>252</b>	<b>505</b>	<b>784</b>	<b>642</b>	<b>-160</b>	<b>2,183</b>
Change (%)	-379.0	23.7	-12.5	90.3	230.7	409.8	690.7	-938.5	-154.4	-
<b>Adj. PAT</b>	<b>-193</b>	<b>47</b>	<b>28</b>	<b>62</b>	<b>252</b>	<b>509</b>	<b>766</b>	<b>642</b>	<b>-160</b>	<b>2,169</b>
Change (%)	-379.0	-41.4	-75.5	90.3	230.7	984.1	2,662.0	-938.5	-154.4	

E: MOSL Estimates; Consolidated Results

### 3QFY11 results better than expected

- Indiabulls Real Estate (IBREL) reported better than expected results for 3QFY11. Revenue grew ~967% YoY to Rs4b (v/s Rs375m in 3QFY10 and Rs3b in 2QFY11), while net profit jumped ~2,662% YoY to Rs766m (v/s Rs28m in 3QFY10 and Rs509m in 2QFY11).
- The management has indicated that ~60% of the revenue has been contributed by its projects at Panvel and NCR (Centrum Park, Enigma, etc).
- EBITDA increased to Rs1.2b v/s a loss of Rs322m in 3QFY10 and profit of Rs812m in 2QFY11. EBITDA margin was 30.7% in 3QFY11 (v/s 27% in 2QFY11).

### Operational update for real estate vertical

#### Steady sales momentum

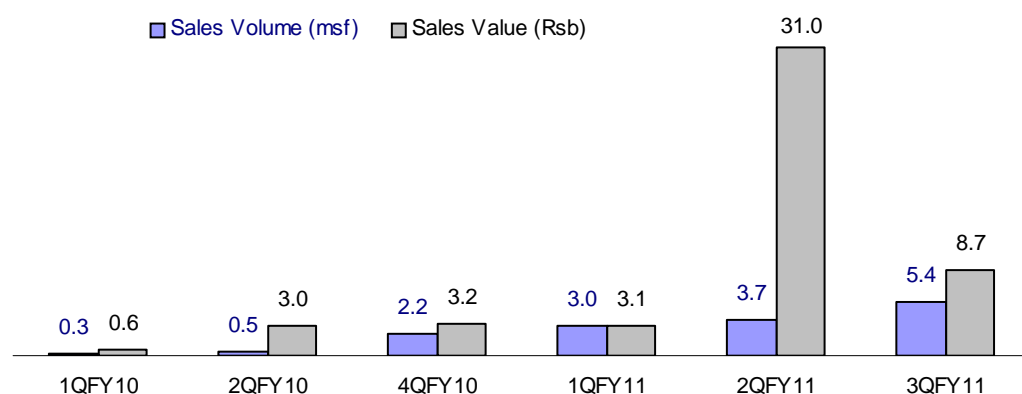
- During 3QFY11, IBREL witnessed robust residential sales of ~2.3msf (v/s 1.8msf in 2QFY11) amounting to ~Rs8.7b (v/s Rs31b in 2QFY11). With this, total sales for its ongoing projects are Rs56.7b (for ~7.1msf).
- Average realization has declined to Rs3,773/sf (v/s Rs17,216/sf in 2QFY11). This indicates a sharp fall in sales momentum in IBREL's key super luxury projects in central Mumbai. However, strong volume implies steady demand in mid-income projects across other micro-markets.
- IBREL has achieved ~0.25msf of additional leasing in 3QFY11, leading to total leased area of 1.4msf.

#### On a QoQ basis, sales have witnessed a strong momentum

	3QFY11		2QFY11		1QFY11		4QFY10		2QFY10		1QFY10	
	Value (Rs m)	Area (msf)	Value (Rs m)	Area (msf)	Value (Rs m)	Area (msf)	Value (Rs m)	Area (msf)	Value (Rs m)	Area (msf)	Value (Rs m)	Area (msf)
Opening Balance	47,997	5.4	17,150	3.7	14,050	3	10,900	2.2	1,210	0.5	590	0.3
Sales	8,680	2.3	30,990	1.8	3,100	7	3,150	0.8	3,002	0.4	620	0.3
Less: Handed Over	0	0	143	0.1								
<b>Closing Balance</b>	<b>56,677</b>	<b>7.7</b>	<b>47,997</b>	<b>5.4</b>	<b>17,150</b>	<b>10.0</b>	<b>14,050</b>	<b>3.0</b>	<b>4,212</b>	<b>0.9</b>	<b>1,210</b>	<b>0.6</b>

Source: Company/MOSL

#### Sharp QoQ decline in realization during 3QFY11



Source: Company/MOSL

**Considerable execution progress**

- Total residential area under construction rose to ~17.2msf from ~14.7msf in 2QFY11, while the total developable area increased to ~59.5msf from ~57msf in 2QFY11.
- During 3QFY11, IBREL handed over 0.55msf of commercial area.
- IBREL acquired ~48 acres of land in 3QFY11, leading to a total residential land bank size of 514 acres (v/s 487 acres in 2QFY11); development has started on 21 acres (~2.38msf).
- The management has guided strong traction in execution, with Rs65b capex over the next 3-4 years in the RE vertical.
- During 3QFY11, the company paid Rs21.5b towards acquisition of 10.8 acres of Worli mill land (Bharat Mills and Poddar Mills) and ~37.6 acres of land across Panvel (Mumbai), NCR and Chennai.

**Area under construction across categories**

	3QFY11	2QFY11	1QFY11
<b>Residential</b>			
Super Premium	3.3	3.3	3.3
Premium	6.6	4.9	4.9
Mid Income	5.5	4.15	3.94
<b>Sub-total</b>	<b>15.4</b>	<b>12.4</b>	<b>12.1</b>
<b>Commercial</b>			
Super Premium	0.85	1.4	1.4
Premium	0	0	0
Mid Income	0.94	0.94	0.92
<b>Sub total</b>	<b>1.8</b>	<b>2.3</b>	<b>2.3</b>
<b>Grand Total</b>	<b>17.2</b>	<b>14.7</b>	<b>14.5</b>

Source: Company/MOSL

**Key projects witnessed significant construction progress****Indiabulls Greens, Panvel (December 2010)****Indiabulls Greens, Chennai (December 2010)****Indiabulls Greens, Panvel (September 2010)****Indiabulls Greens, Chennai (September 2010)**

Source: Company/MOSL

**Balance sheet update**

- During 3QFY11, IBREL's loans increased by Rs16.9b to Rs33.4b (v/s Rs16.5b in 2QFY11), which is primarily attributable to its (a) payment towards acquisition of Worli mill land, and (b) construction capex.
- With this, IBREL's net DER has increased to ~0.09x v/s net cash during 2QFY11.
- Inventory (including advance towards land) has also jumped by Rs20.9b to Rs47.6b. With steady sales momentum, current liability by way of customer advances has also increased to Rs20.7b (v/s Rs11.6b in 2QFY11).

**Balance sheet (IBREL)**

(Rs Million)	1QFY11	2QFY11	3QFY11	QoQ Chg (%)
Share Capital	803	804	804	
Reserves and Surplus	93,728	93,633	94,364	
Share application money		3	30	
Share Warrant		1,184	1,184	
Share Warrants of subsidiary company			3,045	
<b>Shareholders Funds</b>	<b>97,656</b>	<b>97,561</b>	<b>98,292</b>	<b>1</b>
Minority Interest	20,269	20,357	20,390	
Project Specific Preference Equity	3,125	3,125	3,125	
Project Specific Debentures optionally convert. to equity	1,410	1,410	1,410	
Project Specific Debentures compulsarily convert. to equity	7,986	7,986	7,986	
Loan from others	3,284	4,967	21,901	341
Interest accrued & due	2,085	2,105	2,120	
<b>Loan Fund</b>	<b>14,765</b>	<b>16,469</b>	<b>33,417</b>	<b>103</b>
<b>Sources of Funds</b>	<b>132,690</b>	<b>135,574</b>	<b>156,358</b>	<b>15</b>
Cash and Bank	4,533	6,679	5,476	-18
Inventory and other loans and advances related to land	24,585	26,671	47,572	78
Loans and advances	25,699	26,107	26,273	1
Investment (in DPD and Others)	73,501	70,534	68,981	-2
Fixed Assets	11,040	14,325	25,419	77
Goodwill on consolidation				
Sundry debtors	1,424	2,639	3,899	48
Deffered tax asset	4	8	10	20
Other current assets	214	727	261	-64
Less: Current liabilities	8,518	11,567	20,734	79
Provision	360	606	798	32
<b>Working Capital</b>	<b>47,582</b>	<b>50,657</b>	<b>61,958</b>	<b>22</b>
Debit balance from P&L account	566	57	0	
<b>Application of Funds</b>	<b>132,690</b>	<b>135,574</b>	<b>156,358</b>	<b>15</b>
Cash and Bank	4,533	6,679	5,476	
Investment in MFs	28,526	24,643	21,516	
Gross Cash	33,059	31,322	26,992	
Gross Debt	14,765	16,469	33,417	
Net Debt	-15,170	-11,729	9,549	

Source: Company/MOSL

**Power business update****Board approves restructuring of power business**

IBREL's board has approved the restructuring of the power and infrastructure business. The details of the restructuring are as follows:

- IBREL will transfer the power business, comprising of 59% stake in Indiabulls Power (listed company) as a going concern to Indiabulls Infrastructure & Power (I IPL), a 100% subsidiary of IBREL. Shareholders of IBREL will be entitled to 2.95 shares of I IPL for every 1 share held in IBREL.

- Indiabulls Builders (a 100% subsidiary of IBREL, Thane SEZ) will be amalgamated with IBREL.
- The restructuring will be subject to necessary approvals of shareholders and creditors and sanction of the Delhi High Court. The appointed date of the said de-merger and amalgamation is 1 April 2011.

#### Snapshot of swap ratio for IIPL (our understanding)

Understanding the Swap ratio		
a	Equity capital of IBREL(m)	401
b	Equity capital of IPL (m)	2,022
c	Stake in IPL (%)	59
d=b X c	Effective equity capital (m)	1,185
e= d / a	Swap Ratio (x)	2.95

Source: Company/MOSL

- We believe this exercise is a key positive as it creates focused entities and address shareholder concerns. We await further details as to how IIPL shareholders will be able to unlock value. We believe that the likely next step will be to list IIPL and eventually amalgamate the same with IPL. In the interim, shareholders of IBREL are being given shares in an unlisted holding company (IIPL).
- Prior to this step, investors were ascribing a holding company discount to IBREL's ~59% stake in IPL. This step still maintains a status quo, as shareholders continue to hold shares in an unlisted holding company. Going forward, this issue could be addressed by merging/amalgamating IIPL with IPL.
- The management has mentioned that IIPL will eventually get listed on stock exchanges through a de-merger scheme.

#### Indiabulls Power: Financial closure for Nashik Phase-2 (1.35GW) achieved; debt drawal for Phase-1 (2.7GW) commenced

- Projects under construction stand at ~2.7GW (1.35GW each at Nashik and Amravati), and additional 2.7GW (1.35GW each at Nashik and Amravati) are targeted to enter the construction phase shortly.
- IBPL has awarded BTG equipment for Phase-1 of both Nashik and Amravati project (2.7GW cumulative) to BHEL in mid FY09, while BOP for the projects have been awarded to various vendors (Shapoorji - civil work, Gammon - chimney, Paharpur - cooling towers, ABB - switchyard, etc).
- Also, for Phase-2 of both the projects (2.7GW), we understand that BTG has been awarded to BHEL, and part advances given (~6% of contract value).
- **Fuel availability:** IBPL had received fresh linkages for Phase-2 Amravati (1,320 MW) and Nashik (1,320 MW) granted in April 2010 by the Standing Linkage Committee of the Ministry of Coal, Government of India. Given the current coal linkages, IBPL has secured fuel for the entire 5.4GW capacity (including 2.6GW each at Amravati and Nashik). However, given that the linkage is from Coal India, we expect meaningful shortage in availability.
- **Offtake arrangement:** IBPL has signed long-term Power Purchase Agreement (PPA) with Maharashtra State Electricity Distribution Company at a levelized tariff of Rs3.26/unit for 1.2GW. For its Nashik project, the company was planning to enter into a tie-up with industrial consumers for up to 51% of capacity; the balance would be tied-up on long/short-term PPAs.

- **Financial closure for 4GW achieved:** IBPL has started debt drawal for Phase-1 of both Nashik and Amravati projects (2.7GW) in 3QFY11, and debt drawal stands at Rs4.3b for Amravati and Rs3b for Nashik project. Financial closure for Nashik Phase-2 (1.35GW) was achieved in 3QFY11. Cash and bank balance as at December 2010 stands at Rs19b.
- **No mention of Bhaiyathan project (1.3GW):** The 3QFY11 presentation again does not mention the Bhaiyathan project. We understand that the mine allocated to the project has been classified under 'No Go' area; a fresh allocation will now have to be made. Given the competitive bid tariffs, we believe the company could try to come out of the project.

#### **Physical progress: Nashik Phase-1 (1.35GW) TG building**

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#### **Physical progress: Amravati Phase-1 (1.35GW) TG building**

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Source: Company/MOSL

### Upgrading FY11 EPS estimate to Rs5.4

We are revising our FY11 revenue estimate to Rs11.9b (Rs8.1b earlier) and PAT estimate to Rs2.2b (Rs1.4b earlier), implying EPS of Rs5.4 (v/s Rs3.5 earlier) to incorporate the stronger than expected monetization of its projects at Panvel (Mumbai), and NCR. We have rolled over our NAV estimate to FY13 at Rs291/share, while our FY12E NAV has been revised to Rs256/share (Rs280/share earlier, primarily to incorporate the lower probability of getting incentive FSI at Worli Mill land). IBREL is available at 52% discount to its FY12E NAV of Rs256/share and trades at 0.47x FY12E BV of Rs257. We believe the key trigger to the stock could be (a) recovery in commercial vertical and (b) faster culmination of de-merger process of power business. Maintain **Buy**.

#### FY12 NAV

NAV Calculations	(Rs m)	NAV/ Share	% of NAV	% of GAV
Residential	58,215	145	57	42
IPIT-Residential	22,039	55	21	16
Poddar Mills and Bharat Mills	23,174	58	23	17
Add: Nasik SEZ	11,510	29	11	8
Add: Other SEZ and IT Parks	2,500	6	2	2
Add: IPIT Commercial	21,342	53	21	15
<b>Gross Asset Value (GAV)</b>	<b>138,780</b>	<b>346</b>	<b>135</b>	<b>100</b>
Less: Tax	20,607	51	-20	-15
Less: Net Debt	9,500	24	9	7
Add: IBPS	26,905	67	26	19
Less: Minority Interest	20,357	51	-20	-15
Less: Operating Exp	12,490	31	-12	-9
<b>Net Asset Value (NAV)</b>	<b>102,731</b>	<b>256</b>	<b>100</b>	<b>74</b>

Source: Company/MOSL

#### FY13 NAV

NAV Calculations	(Rs m)	NAV/ Share	% of NAV	% of GAV
Residential	61,409	153	60	44
IPIT-Residential	22,293	56	22	16
Poddar Mills and Bharat Mills	25,738	64	25	19
Add: Nasik SEZ	13,142	33	13	9
Add: Other SEZ and IT Parks	2,500	6	2	2
Add: IPIT Commercial	24,079	60	23	17
<b>Gross Asset Value (GAV)</b>	<b>149,161</b>	<b>372</b>	<b>145</b>	<b>107</b>
Less: Tax	21,933	55	-21	-16
Less: Net Debt	6,251	16	6	5
Add: IBPS	28,587	71	28	21
Less: Minority Interest	20,357	51	-20	-15
Less: Operating Exp	12,679	32	-12	-9
<b>Net Asset Value (NAV)</b>	<b>116,527</b>	<b>291</b>	<b>100</b>	<b>78</b>

Source: Company/MOSL

#### NAV calculation: key assumptions

- WACC: 14.5% and cap rate: 11%.
- The entire land bank will be developed over the next 10 years. We have assumed selling rates and capitalization rates for the properties depending on the location, asset type and asset quality.
- 5% CAGR in realizations for all cities and all verticals (residential, commercial and SEZ).
- Average construction period of 36 months for residential projects.

## Indiabulls Real Estate: an investment profile

### Company description

IBREL, the demerged real estate arm of Indiabulls Financial Services (IBFSL), was listed on the Bombay Stock Exchange and National Stock Exchange in March 2007. It entered the real estate sector in 2005 after it won two land parcels at auction bids of textile mill land in central Mumbai. The company is focused on development and sale of residential properties in tier-I cities like NCR, Mumbai and Chennai, and rental of commercial properties to be developed in Mumbai.

### Key investment arguments

- Strong monetization visibility from robust pre-sales and steady progress in execution.
- The strong ongoing recovery in the commercial vertical is also a key positive.
- We view the restructuring of IBREL's holding in IPL as positive for IBREL shareholders and believe this move will reduce its NAV discount.

### Key investment risks

- Since IBREL is a relatively new player in the real estate space, execution of its aggressive development plan seems to be a challenge.
- Oversupply concern in central Mumbai market may lead to price rationalization, which could have a detrimental impact on its IPIT projects.
- Delay in execution and lower FSI approval in recently acquired mill land.

### Comparative valuations

		IBREL	DLF	Unitech
P/E (x)	FY11E	22.8	21.6	19.8
	FY12E	21.2	17.4	14.3
P/BV (x)	FY11E	0.5	1.6	1.5
	FY12E	0.5	1.5	1.3
EV/Sales (x)	FY11E	6.0	6.6	5.6
	FY12E	3.1	4.9	3.4
EV/EBITDA (x)	FY11E	22.7	13.4	16.0
	FY12E	14.1	10.9	9.8

### Shareholding Pattern (%)

	Sep-10	Jun-10	Sep-09
Promoter	23.0	22.1	16.7
Domestic Inst	2.4	3.4	3.8
Foreign	67.5	65.6	73.8
Others	7.1	8.9	5.8

### Recent developments

- IBREL's board has approved the restructuring of the power and infrastructure business. IBREL will transfer the power business, comprising of 59% stake in Indiabulls Power (listed company) as a going concern to Indiabulls Infrastructure & Power (IIPL), a 100% subsidiary of IBREL. Shareholders of IBREL will be entitled to 2.95 shares of IIPL for every 1 share held in IBREL.

### Valuation and view

- We have rolled over our NAV estimate to FY13 at Rs291/share, while our FY12E NAV has been revised to Rs256/share (Rs280/share earlier, primarily to incorporate the lower probability of getting incentive FSI at Worli Mill land). IBREL is available at 52% discount to its FY12E NAV of Rs256/share and trades at 0.47x FY12E BV of Rs257. Maintain **Buy**.

### Sector view

- The real estate sector seems firmly set on the path to recovery, following the successful balance sheet recapitalization by key RE companies, shifting focus on execution and a pick-up in sales momentum. While broadbased recovery in the residential vertical has been the key growth driver in the last one year, the ongoing revival in the commercial and retail segments is going to strengthen sector outlook further in forthcoming years.

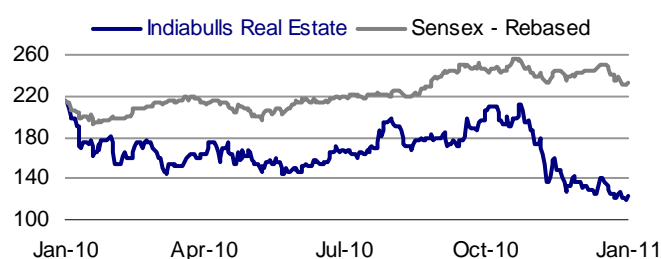
### EPS: MOSL forecast v/s Consensus (Rs)

	MOSL Forecast	Consensus Forecast	Variation (%)
FY11	5.4	4.7	14.1
FY12	5.8	8.1	-28.5

### Target Price and Recommendation

Current Price (Rs)	Target Price (Rs)	Upside (%)	Reco.
123	192	56.1	Buy

### Stock performance (1 year)





## Financials and Valuations

INCOME STATEMENT						RATIOS					
(RS MILLION)											
Y/E MARCH	2009	2010	2011E	2012E	2013E	Y/E MARCH	2009	2010	2011E	2012E	2013E
<b>Net Sales</b>	<b>2,086</b>	<b>1,294</b>	<b>11,856</b>	<b>15,878</b>	<b>25,997</b>	<b>Basic (Rs)</b>					
<i>Change (%)</i>	<i>48</i>	<i>-38</i>	<i>817</i>	<i>34</i>	<i>64</i>	<b>Adjusted FDEPS</b>	<b>0.5</b>	<b>-1.2</b>	<b>5.4</b>	<b>5.8</b>	<b>12.2</b>
Construction Expenses	2,227	105	7,643	11,169	17,978	<i>Growth (%)</i>	<i>-96.5</i>	<i>-339.5</i>	<i>-533.7</i>	<i>7.3</i>	<i>110.4</i>
Staff Cost	429	640	474	556	780	<b>Consolidated FDEPS</b>	<b>1.1</b>	<b>-0.6</b>	<b>5.4</b>	<b>5.8</b>	<b>12.2</b>
Office & Site Establis. Exp:	0	1,620	593	635	780	<i>Growth (%)</i>	<i>-92.6</i>	<i>-154.2</i>	<i>970.4</i>	<i>7.3</i>	<i>110.4</i>
<b>EBITDA</b>	<b>-570</b>	<b>-1,071</b>	<b>3,146</b>	<b>3,518</b>	<b>6,459</b>	Cash EPS	3.1	0.5	6.0	6.6	13.2
<i>% of Net Sales</i>	<i>-27</i>	<i>-83</i>	<i>27</i>	<i>22</i>	<i>25</i>	Book Value	213.5	236.8	253.4	257.4	267.3
Depreciation	108	126	228	327	402	DPS	7.0	1.0	3.0	4.0	5.0
Interest	244	97	323	746	746	Payout (incl. Div. Tax.)	77.3	-98.5	4.2	15.7	9.4
Other Income	2,313	1,699	883	983	1,530	<b>Valuation (x)</b>					
<b>PBT</b>	<b>1,390</b>	<b>405</b>	<b>3,478</b>	<b>3,428</b>	<b>6,841</b>	P/E	236.6	-98.8	22.8	21.2	10.1
Tax	698	337	1,295	1,102	1,946	Cash P/E	39.6	255.1	20.5	18.6	9.3
<i>Rate (%)</i>	<i>50</i>	<i>83</i>	<i>37</i>	<i>32</i>	<i>28</i>	EV/EBITDA	-48.7	-49.1	22.7	14.1	7.2
<b>Reported PAT</b>	<b>692</b>	<b>68</b>	<b>2,183</b>	<b>2,326</b>	<b>4,895</b>	EV/Sales	13.3	40.6	6.0	3.1	1.8
Minority Interest	398	228	14	0	0	Price/Book Value	0.6	0.5	0.5	0.5	0.5
<b>Adjusted PAT</b>	<b>295</b>	<b>-160</b>	<b>2,169</b>	<b>2,326</b>	<b>4,895</b>	Dividend Yield (%)	5.7	0.8	2.4	3.3	4.1
<i>Change (%)</i>	<i>-93</i>	<i>-154</i>	<i>1,457</i>	<i>7</i>	<i>110</i>	<b>Profitability Ratios (%)</b>					
<b>BALANCE SHEET</b>	<b>(RS MILLION)</b>					RoE	0.5	-0.2	2.1	2.2	4.4
<b>Y/E MARCH</b>	<b>2009</b>	<b>2010</b>	<b>2011E</b>	<b>2012E</b>	<b>2013E</b>	RoCE	2.0	0.4	2.4	2.9	5.1
Share Capital	1,890	803	803	803	803	<b>Leverage Ratio</b>					
Reserves	51,601	93,512	96,710	98,303	102,283	Debt/Equity (x)	0.2	0.1	0.3	0.2	0.2
<b>Net Worth</b>	<b>53,492</b>	<b>94,315</b>	<b>97,513</b>	<b>99,106</b>	<b>103,086</b>	<b>CASH FLOW STATEMENT</b>	<b>(RS MILLION)</b>				
Loans	11,956	13,632	33,656	19,292	19,292	<b>Y/E MARCH</b>	<b>2009</b>	<b>2010</b>	<b>2011E</b>	<b>2012E</b>	<b>2013E</b>
<b>Capital Employed</b>	<b>81,696</b>	<b>130,255</b>	<b>158,479</b>	<b>145,709</b>	<b>149,688</b>	PBT before EO Items	<b>1,390</b>	<b>405</b>	<b>3,478</b>	<b>3,428</b>	<b>6,841</b>
Gross Fixed Assets	1,888	2,102	4,152	5,452	6,702	Add: Depreciation	108	126	228	327	402
Less: Depreciation	148	126	228	327	402	Interest	244	97	323	746	746
<b>Net Fixed Assets</b>	<b>1,540</b>	<b>1,976</b>	<b>3,924</b>	<b>5,125</b>	<b>6,300</b>	Less: Direct Taxes Paid	698	337	1,295	1,102	1,946
Capital WIP	2,155	6,451	19,146	15,625	9,375	(Inc)/Dec in WC	-8,018	10,379	-15,830	18,228	-5,525
Investments	12,347	72,474	68,850	68,850	68,850	<b>CF from Operations</b>	<b>-6,973</b>	<b>10,670</b>	<b>-13,257</b>	<b>21,220</b>	<b>-185</b>
<b>Curr. Assets</b>	<b>66,502</b>	<b>53,572</b>	<b>85,542</b>	<b>75,372</b>	<b>90,329</b>	(Inc)/Dec in FA	-1,695	-4,835	-14,974	1,894	4,598
Inventory	17,566	24,489	47,948	26,686	32,742	(Pur)/Sale of Investments	-11,672	-60,127	3,624	0	0
Debtors	878	190	3,898	5,220	8,547	<b>CF from Investments</b>	<b>-13,369</b>	<b>-64,951</b>	<b>-11,091</b>	<b>2,115</b>	<b>4,987</b>
Cash & Bank Balance	15,897	10,454	11,569	19,127	22,267	(Inc)/Dec in Networth	13,437	38,752	5,351	-366	-458
Loans & Advances	32,160	18,439	22,127	24,339	26,773	(Inc)/Dec in Debt	8,173	1,676	20,024	-14,364	0
<b>Current Liab. &amp; Prov.</b>	<b>1,702</b>	<b>4,320</b>	<b>19,345</b>	<b>19,845</b>	<b>26,137</b>	Less: Interest Paid	244	97	323	746	746
Creditors	1,702	4,320	19,345	19,845	26,137	Dividend Paid	411	92	92	366	458
<b>Net Current Assets</b>	<b>64,800</b>	<b>49,252</b>	<b>66,197</b>	<b>55,527</b>	<b>64,192</b>	<b>CF from Fin. Activity</b>	<b>20,557</b>	<b>48,838</b>	<b>25,463</b>	<b>-15,777</b>	<b>-1,662</b>
<b>Application of Funds</b>	<b>81,696</b>	<b>130,255</b>	<b>158,479</b>	<b>145,709</b>	<b>149,688</b>	<b>Inc/Dec of Cash</b>	<b>-321</b>	<b>-5,443</b>	<b>1,115</b>	<b>7,558</b>	<b>3,141</b>
<i>E: MCLSL Estimates</i>						Add: Beginning Balance	16,218	15,897	10,454	11,569	19,127
						<b>Closing Balance</b>	<b>15,897</b>	<b>10,454</b>	<b>11,569</b>	<b>19,127</b>	<b>22,268</b>



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**Indiabulls Real Estate**

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|---|----|
| 1. Analyst ownership of the stock                       | No |
| 2. Group/Directors ownership of the stock               | No |
| 3. Broking relationship with company covered            | No |
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