



Date: February 14, 2023

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

(The meeting of the Board of Directors of the Company commenced at 5.15 p.m and concluded at 8.00 p.m)

The Board of Directors of the Company in its meeting held today, February, 14 2023, inter alia has considered and approved the following:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended December 31, 2022.
2. Shifting of registered office of the Company from "DB Central, Maulana Azad Road, Rangwala Compound, Jacob Circle, Mumbai- 400011" to "7th Floor, Resham Bhavan, Veer Nariman Road, Churchgate, Mumbai-400020" within local limits of the city w.e.f 01st March, 2023.

We attach herewith copy of Unaudited Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended December 31, 2022 along with Limited Review Report given by the Statutory Auditors of the Company.

The above is for your information and record.

Thanking You,

Yours faithfully,

For D B Realty Limited

JIGNESH Digitally signed by
JIGNESH
HASMUKH HASMUKHLAL SHAH
LAL SHAH Date: 2023.02.14
20:02:43 +05'30'

**Jignesh Shah
Company Secretary**

D B REALTY LIMITED

Regd. Office : DB Central, Maulana Azad Road, Rangwala Compound, Jacob Circle, Mumbai- 400 011 Tel.: 91-22-2305 5555

Website: www.dbrealty.co.in • Email : Info@dbg.co.in

CIN: L70200MH2007PLC168818

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 and nine months ended December 31, 2022

(Rs. in Lacs other than EPS)

Sr.No	PARTICULARS	Quarter Ended			Nine Months Ended		Year Ended
		31st Dec 22	30th Sep 22	31st Dec 21	31st Dec 22	31st Dec 21	31st Mar 22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations (refer note 22)	107.78	250.26	4.62	358.04	273.86	385.48
2	Other Income (refer note 23)	4,655.85	2,315.20	690.54	9,180.25	2,836.38	3,702.93
3	Total Income (1+2)	4,763.63	2,565.46	695.16	9,538.29	3,110.24	4,088.41
4	Expenses						
	a. Project Expenses	466.34	269.16	346.73	1,594.45	828.32	2,305.75
	b. Changes in Inventories of finished goods, work in progress and stock in-trade	(466.34)	(269.16)	(346.73)	(1,594.45)	(828.32)	(2,419.49)
	c. Employee Benefits Expenses	77.41	84.47	31.32	225.72	103.13	106.18
	d. Depreciation and Amortisation	3.52	3.67	2.42	9.11	15.47	17.42
	e. Finance Costs (refer note 8)	256.65	284.69	936.30	833.34	7,821.43	8,096.03
	f. Other Expenses	1,115.38	711.87	2,038.96	3,220.51	25,008.53	26,087.68
	Total Expenses (a+b+c+d+e+f)	1,452.97	1,084.70	3,009.00	4,288.69	32,948.56	34,193.57
5	Profit / (Loss) before Exceptional Items (3-4)	3,310.66	1,480.76	(2,313.84)	5,249.60	(29,838.32)	(30,105.16)
6	Exceptional Items (refer note 11)						27,390.33
7	Profit / (Loss) before tax (5+6)	3,310.66	1,480.76	(2,313.84)	5,249.60	(29,838.32)	(2,714.83)
8	Tax Expenses						
	(a) Current tax	-	-	-	-	-	-
	(b) Deferred tax (refer note 6)	946.70	478.81	85.85	1,952.69	531.32	5,018.47
	(c) (Excess) / short provision of tax for the earlier years	9.77	-	-	9.77	(159.73)	(218.96)
	Total Tax expense	956.47	478.81	85.85	1,962.46	371.59	4,799.51
9	Profit / (Loss) after tax (7-8)	2,354.19	1,001.95	(2,399.69)	3,287.14	(30,209.91)	(7,514.34)
10	Other Comprehensive Income						
	A. Items that will not be reclassified to profit or loss						
	(a) Income/(loss) on fair value adjustment in the value of investments	(1,146.98)	(2,241.83)	-	(3,637.51)	-	9,612.94
	Less: Income tax relating to the above	238.57	466.30	-	756.60	-	(1,999.49)
	(b) Remeasurement of net defined benefit plans	(7.30)	(7.29)	0.62	(21.89)	1.85	(29.18)
	Less: Income tax relating to the above	1.67	1.67	(0.14)	5.01	(0.42)	6.68
	Total Other Comprehensive Income	(914.04)	(1,781.15)	0.48	(2,897.79)	1.43	7,590.96
11	Total Comprehensive Income for the period	1,440.15	(779.20)	(2,399.22)	389.35	(30,208.48)	76.62
12	Paid up Equity Share Capital (Face value of Rs. 10 per Equity Share)	34,205.88	34,205.88	24,325.88	34,205.88	24,325.88	25,905.88
13	Other Equity (Excluding Revaluation Reserve and including money received against share warrants) (refer note 13)						2,61,906.07
14	Basic and Diluted EPS (Rs.) (not annualised for Interim period)						
	Basic	0.77	0.37	(0.99)	1.11	(12.42)	(3.09)
	Diluted (Refer note 17)	0.68	0.34	(0.99)	0.99	(12.42)	(3.09)
15	Items exceeding 10% of total Expenses included in other expense						
	Provision for impairment of Investments	-	-	1,054.78	722.21	20,421.01	20,954.36
	Repairs and Maintenance - others	-	114.95	-	-	-	-
	Legal and Professional Charges	81.14	349.41	-	477.06	-	-
	Loans and advances written off	-	-	395.18	-	-	-
	Expected credit loss (Including fair value of guarantee)	807.48	402.44	394.18	1,619.79	-	-

Notes:

1	The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on February 14, 2023. The statutory auditor has carried out limited review of the standalone financial results for the quarter and nine months ended December 31, 2022. Matters referred to in note no. 3, 4 and 8 below have been qualified by the statutory auditor and matters referred to in note no. 6, 9, 12, 15 and 16 have been mentioned as emphasis of matter in their limited review report.
2	The above unaudited standalone financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ('SEBI'), and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
3	<p>With respect to guarantees given by the Company: The Company carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees and securities of the Company.</p> <p>(a) During the quarter, one of the lenders has invoked the corporate guarantee given by the company on behalf of a related party. As per the communication the total demand is Rs 76,038.97 lacs which was contested by the company vide its response to the said communication. The lender had confirmed / acknowledged the amount of Rs 23,636 lacs vide its letter dated March 8, 2021. The company in its response to the invocation of the corporate guarantee has made an offer to pay Rs 25,400 lacs as a part of its obligation as a guarantor. The management based on the market value of the various other primary securities, corporate guarantee and undertaking by the holding company of the related party entity (for whom guarantee was provided) is confident of recovering the amount (if any) paid to the lenders from the said related party and its holding company and accordingly is of the view that provision is not required to be made.</p> <p>(b) Financial guarantees and securities given by the Company on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs 24,547.62 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. Valuation report of such primary / underlying assets provided as securities by the lending companies has not been obtained from the independent valuer. In view of the management, value of such primary / underlying assets provided as securities is greater than the outstanding loans and hence additional liability will not devolve on the Company inspite of the guarantee and securities provided by the Company. In the above amounts, interest and other charges are not included as the same cannot be quantified as the respective borrower/s had disputed the same and also since settlement proposal is in discussion by the respective borrowers with their lenders. Further, out of Rs. 24,547.62 lakhs above, subsequent to the quarter, one of the subsidiaries (i.e. borrower) has entered into the one-time settlement with lender for the repayment of loans of Rs. 17,736.15 lakhs (excluding interest, penal interest and other charges) subject to compliance with the payment terms.</p> <p>(c) Further, financial guarantees and securities given by the Company on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs. 35,240.50 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. As per valuation reports obtained from independent valuer, the value of primary / underlying assets provided as securities by the lending companies is greater than the outstanding loans and hence in view of the management no additional liability is expected to devolve on the Company. In the above amounts, interest and other charges are not included as the same cannot be quantified as the respective borrower/s had disputed the same and also since settlement proposal is in discussion by the respective borrowers with their lenders.</p> <p>Considering the restrictive covenants, value of underlying securities being greater than the outstanding loans, the fair value of the guarantee is NIL.</p> <p>In the earlier quarter, the Company's personnel have received summons from Securities Exchange Board of India (SEBI) regarding Guarantees/securities given in the past for and on behalf of a related entity as that entity had defaulted in its repayment obligation. The company has duly replied to the said summons.</p> <p>With reference to above, during the quarter, the Securities Exchange Board of India (SEBI) has issued administrative warning (i.e. impugned order) to the Independent Directors with respect to accounting and disclosure of financial guarantees based on the investigation report carried out by SEBI. This report was specifically with respect to matter covered in note 3(a) of the statement and it also extends to other guarantees as well. The said report quantifies the expected credit loss / additional provision with respect to financial guarantees as mentioned in note 3(a) above is Rs. 59,130.18 lakhs to be made by the company in accordance with Ind AS 109 'Financial Instrument'. The company has disputed the said report / order and in its opinion, no provision is required to be made based on underlying assets of the various entities and ongoing discussion for settlement of the loans by the respective entities with their lenders. The Company has filed an appeal and application seeking stay against the said impugned order before the Securities Appellant Tribunal (SAT) seeking reliefs including (a) setting aside the said Impugned Order and (b) To pass an order staying the effect, implementation and operations of the Impugned Order. Subsequent to quarter end the said appeal was heard and SAT has ruled against the Company. The detailed order is awaited. Once received, the Company will explore further legal remedies including filing an appeal against the said order before the Hon'ble Supreme Court.</p> <p>The statutory auditors have drawn attention of above matter in their limited review report on the financial results for the quarter and nine months ended December 31, 2022.</p>
4	The Company has investment in certain subsidiaries, associates, joint venture and other parties aggregating to Rs. 42,483.78 lacs and loans and advances / deposits outstanding aggregating to Rs. 1,64,847.50 lacs as at December 31, 2022. While such entities have incurred significant losses and / or have negative net worth as at December 31, 2022 and/or have pending legal disputes with respect to the underlying projects / properties of respective entities, 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 given to such entities, which are considered good and fully recoverable. This matter has been reported by the statutory auditors in their limited review report.
5	<p>Note on investment of the Company in Marine Drive Hospitality and Realty Private Limited (MDHRPL):</p> <p>a) With respect to 24,70,600 numbers of Redeemable Optionally Convertible Cumulative Preference Shares ("ROCCPS") Series A, 2,17,630 numbers of ROCCPS Series C and 74,443 numbers of Cumulative Redeemable Convertible Preference Shares ("CRCPS") of MDHRPL held by the Company aggregating to Rs. 82,336.58 lacs, management of the Company had during the previous quarter decided not to opt for conversion of aforesaid shares.</p> <p>b) Pursuant to resolution passed in the annual general meeting of the Company and the consent of the board of director of MDHRPL, 92,600 numbers of Compulsory Convertible Cumulative Preference Shares ("CCCPS") - Series C of MDHRPL aggregating to Rs. 13,334.06 lacs had converted into 92,600 ROCCPS during the previous quarter. The Company had decided not to opt for conversion of aforesaid shares.</p> <p>c) The Company has not nominated any director on the Board of MDHRPL.</p> <p>Considering the above facts including management intention to opt for redemption of CRCPS and ROCCPS, the Company does not have control over MDHRPL and accordingly, MDHRPL is neither considered a subsidiary nor an associate of the Company. The Company holds 15.53% of the paid-up equity share capital of MDHRPL.</p>
6	The Company has recognized net deferred tax asset on changes in fair value of financial instruments aggregating to Rs. 9,294.26 lacs in the earlier years. In the opinion of the management, there is a reasonable certainty as regards utilization / reversal (consequent to potential increase in fair value in future) of the said deferred tax assets. The Company has not recognised deferred tax assets on unabsorbed depreciation and carry forward losses on prudence basis. No provision for tax is required to be made in absence of taxable profit during the quarter and nine months ended December 31, 2022. (also refer note 11 (b)).

7	The Company has various debt obligations aggregating to Rs. 1,01,012.39 lacs within next 12 months. These obligations are higher than the current assets which are liquid in nature. This 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 for which the Company has entered into one time settlement with various lenders, raised funds through issued convertible warrants, entered in development agreement / joint ventures to revive various projects which have significantly high growth potential. The management is confident and has made plans to arrange sufficient liquidity by restructuring the existing terms of borrowings, monetization of non-core assets, mobilization of additional funds and conversion of outstanding warrants into equity shares. Accordingly, the standalone financial results are prepared on a going concern basis. The statutory auditors have drawn attention of above matter in their limited review report on the financial results for the quarter and nine months ended December 31, 2022 in line with the earlier limited review reports / independent audit reports (also refer note 13).
8	The Company has not provided for interest on loan from one of the financial institutions amounting to Rs. 826.64 lacs and Rs. 2,452.66 lacs pertaining to quarter and nine months ended December 31, 2022, respectively considering the ongoing discussions / negotiations with lenders as regards to one time settlement. These amounts exclude interest related to one of the lender with whom settlement has been agreed upon subsequent to the quarter end. This matter has been reported by the statutory auditors in their limited review report (also see note 9).
9	Subsequent to the quarter end, the Company has entered into one-time settlement with one of the financial institutions subject to the compliance with the payment terms. As per the said settlement the Company is required to pay Rs. 18,560 lakhs (plus interest as per agreed rate from 1st April 2023) upto 31st January 2025 as per repayment schedule specified therein. Additionally, the write-back of Rs. 3,765.97 lacs for the difference (if any) between the original loan amount plus accrued interest of Rs. 21,966 lacs upto the date of settlement and the revised amount payable of Rs. 18,200.03 lacs would be accounted in the period in which the condition of settlement arrangement are met.
10	In the previous quarter, the Company has repaid the entire outstanding principal amount to one of its lenders under restructuring & settlement proposal and the unpaid interest amount has converted into funded interest term loan which will be repaid over 24 months (including moratorium period of 6 months).
11	During the previous year, following are the details of exceptional items: (a) the Company had completed One Time Settlement (OTS) with two lenders. Consequently, interest waived by the lenders of Rs. 6,675.35 was disclosed under exceptional item. (b) reversal of impairment loss of Rs. 20,714.98 lacs (net of unaccounted gain on CRCPS valued at amortized cost of Rs. 19,119.61 lacs) with respect to the investment in MDHRPL. Additionally, with respect to instruments where the Company had opted for FVTOCI, the reversal of impairment loss had been credited to other comprehensive income. The reversal of impairment loss was mainly on account of unlocking of development potential of the underlying property held by the said entity and its subsidiaries. The corresponding deferred tax assets created on the impairment loss provided in the earlier years was also reversed amounting to Rs. 4,308.72 lacs.
12	During the previous year, the Company, firms in which the Company is a partner and KMP's premises were searched by the Income Tax department. During the earlier quarter, the Central Bureau of Investigation (CBI) has carried out searches of one of the wholly owned subsidiaries and certain documents [including back-up of the accounting software] have been taken by the department and CBI. The WOS has submitted all information as requested by the CBI from time to time and as per the WOS's understanding there is no pending information to be provided to the CBI as on December 31, 2022. However, the Company is confident that it has not indulged in any activity that may make it liable for any liability in this regard.
13	During the previous year, the Company had allotted 25,75,00,000 warrants convertible into equity shares on preferential basis upon payment of 25% of total issue price and raised Rs. 38,604.56 lacs. One of the objectives of raising warrants was to reduce debt and meet funding requirements of the Company, its subsidiaries, JVs and partnership firms in which the Company is a partner. The said warrants entitle the allottees to apply for and be allotted equal number of equity shares for each warrant held on payment of balance 75% of the issue price amounting to Rs. 115,813.69 lacs within 18 months from the date of allotment of the warrants. Some of the allottees exercised their conversion option and had converted 1,58,00,000 warrants into equity shares during the previous year upon payment of balance 75% of the issue price on such warrants aggregating to Rs. 5,113.28 lacs. The Company had also received the listing approval from recognised stock exchanges for the listing of 1,58,00,000 shares during the year ended March 31, 2022. Further, during the quarter and nine months ended December 31, 2022, 8,30,00,000 warrants have been converted into equity shares on exercise of conversion option by promoter allottees and investors upon payment of 75% of issue price of such warrants aggregating to Rs. 31,975.87 lacs. The Company had also received the listing approval from recognised stock exchanges for the listing of 8,30,00,000 shares during the quarter and nine months ended December 31, 2022. Additionally, Rs 2,811.63 lacs has been received as advance towards balance share warrants which are to be converted. Further, subsequent to quarter end, 1,296,000 warrants have been converted into equity shares on exercise of conversion option by investor and accordingly the Company has filed an application for listing approval with the recognised stock exchange for issue of such shares and the approval for the same is awaited.
14	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.
15	With respect to security deposits aggregating to Rs 2,209.85 lacs, investments and loans & advances in certain subsidiary companies / utilities aggregating to Rs 1,81,125.54 lacs and inventory of construction work in progress of Rs Rs. 33,709.67 lacs, we have relied upon managements estimates and explanation as regards, various approvals obtained / pending, stage of completion, projections of expected cost and revenue, realization of construction work in progress and market value of the underlying developments rights. These estimates are dynamic in nature and are dependent upon various factors such as eligibility of the tenants, changes in the saleable area, acquisition of new Floor Space Index (FSI) and other factors. Changes in these estimates can have significant impact on the financial results of the company for the quarter and half year and also future periods, however quantification of the impact due to change in said estimates is not practical. Being a technical matter, these management estimates have been relied upon by auditors.
16	Following are the major litigation updates of the Company: a. As regards certain allegations made by the Enforcement Directorate against the Company and its two Key Managerial Persons (KMPs), in a matter relating to Prevention of Money Laundering Act, 2002, this matter is sub-judice. The Company and its two KMPs have been acquitted by the Hon'ble CBI Special Court and the Enforcement Directorate has filed an appeal against the said order. There is no new development in this matter from the quarter ended September 30, 2022. b. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets aggregating to Rs. 711.91 lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lacs, two flats having written down value of Rs. 86.15 lacs as on December 31, 2022 and investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A and Series C made by the Company aggregating to Rs. 556.83 lacs in earlier years. The impact, if any, of its outcome is currently unascertainable. There is no new development in this matter from the quarter ended September 30, 2022. c. The Company is a party to various legal proceedings in normal course of business (including cases pending before the Hon'ble National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016) and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of the operations or cash flow. The Company does not expect any financial liability in above matters.
17	For the quarter ended September 30, 2022 as well as a quarter and nine months ended December 31, 2022, convertible share warrants and ESOPs are considered for diluted EPS. Further, for the year ended March 31, 2022, the convertible share warrants are anti-dilutive and hence not required to be considered for diluted EPS.

18	<p>The Company is holding 75,600 equity shares (50.40%) of the face value of Rs. 100/- each in one of its subsidiaries Royal Netra Constructions Private Limited (RNCP). The board has approved the proposal for amalgamation of Platinum Corp Affordable Builders Private Limited ("Transferor Company") and Royal Netra Constructions Private Limited ("Transferee Company") and their respective shareholders ("Scheme") under composite scheme of amalgamation and arrangement under sections 230 to 232, section 66 and other applicable provisions of the Companies Act, 2013, subject to the approval of National Company Law Tribunal ("NCLT"). No accounting treatment has been given in the books pending the said approval.</p>
19	The Company has pledged its investment in Real Gem Buildtech Private Limited (wholly-owned subsidiary company) as one of the securities against the loan sanctioned (partly disbursed) to the said wholly-owned subsidiary company by HDFC Limited during the earlier quarters.
20	During the current quarter, the Company has acquired remaining 9% stake (i.e. 12.60 lakhs equity shares) in DB Man Realty Limited and 26% stake (i.e. 0.03 lakhs equity shares) in Spacecon Realty Private Limited as a result these entities have become wholly owned subsidiaries of the Company.
21	In accordance with Employee Stock Option Plan scheme, the Company has granted 32.25 lac equity shares to its employees (including the employees of its subsidiaries, associates and joint ventures) at an exercise price of Rs. 41.45 per equity share during the earlier quarter. Accordingly, the same has been accounted as per 'Ind AS 102 - Share Based Payment'.
22	The Company has recognized VAT refund of Rs. 107.78 lacs & Rs. 358.04 lacs for the quarter and nine months ended December 31, 2022, respectively, as other operating income under revenue from operation. Further, during the previous quarter, The Company has incurred one time defect liability expenses of Rs. 90 lacs relating to one of the project developed in the past pursuant to settlement with society and legal expenses of Rs. 100 lacs related to ongoing litigation.
23	Other income includes Rs. 1,979.49 & Rs. 5,699.89 lacs for the quarter and nine months ended December 31, 2022, respectively, on unwinding of financial instruments with respect to CRCPS of MDHRPL held by the Company which are accounted on amortised cost basis. Further, for the current quarter, it also includes Rs. 2,170 lakhs on account of reversal of provision for doubtful debts on account of realization of the receivables.
24	Figures for the previous periods / year are re-classified / re-arranged / re-grouped wherever necessary to conform current period's presentation.
	<p>For D B Realty Limited SHAHID <small>Digitally signed by</small> USMAN <small>SHAHRUDDIN BALWA</small> BALWA <small>DN: cn=USMAN BALWA, o=</small> <small>DB Realty Limited, email=</small> Shahid Balwa Chairman & Managing Director DIN 00016837</p>
	<p>Dated:- February 14, 2023 Place:- Mumbai</p>

N. A. SHAH ASSOCIATES LLP
Chartered Accountants

Limited Review Report on the quarterly and year to date unaudited Standalone Financial Results of D B Realty Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
D B Realty Limited

1. We have reviewed the accompanying unaudited standalone financial results ("the Statement") of D B Realty Limited ("the Company") for the quarter and nine months ended December 31, 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

Management responsibility

2. This Statement 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 the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Auditor's responsibility

3. Our responsibility is to express a conclusion on the Statement based on our review.

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 are free from 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.

Basis for Qualified Conclusion

4. Non-remeasurement of financial guarantees at fair value under Ind AS 109 – Financial Instruments (also refer note 3 to the statement):
 - a. During the quarter, one of the lenders has invoked the corporate guarantee given by the company on behalf of a related party. As per the communication the total demand is Rs 76,038.97 lacs which has been contested by the company vide its response to the said communication. As explained to us, the lender had confirmed / acknowledged the amount of Rs 23,636 lacs vide its letter dated March 8, 2021. The company in its response to the invocation of the corporate guarantee has made an offer to pay Rs 25,400 lacs as a part of its obligation as a guarantor.

N. A. SHAH ASSOCIATES LLP
Chartered Accountants

The management based on the market value of the various other primary securities, corporate guarantee and undertaking by the holding company of the related party entity (for whom guarantee was provided) is confident of recovering the amount (if any) paid to the lenders from the said related party and its holding company and accordingly is of the view that provision is not required to be made.

- b. Financial guarantees and securities given by the Company on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs 24,547.62 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. Valuation report of such primary / underlying assets provided as securities by the borrowing companies has not been obtained from an independent valuer. In view of the management, value of such primary / underlying assets provided as securities is greater than the outstanding loans and hence additional liability will not devolve on the Company. Further, out of Rs. 24,547.62 lacs above, Subsequent to the quarter, one of the subsidiaries (i.e. borrower) has entered into the one-time settlement with lender for the repayment of loans of Rs. 17,736.15 lacs (excluding interest, penal interest and other charges) subject to compliance with the payment terms.
- c. Further, Financial guarantees and securities given by the Company on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs. 35,240.50 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. As per valuation reports obtained from independent valuer, the value of primary / underlying assets provided as securities by the borrowing companies is greater than the outstanding loans and hence in view of the management no additional liability is expected to devolve on the Company.

With reference to above, during the quarter, Securities Exchange Board of India (SEBI) has issued administrative warning (i.e. impugned order) to the Independent Directors with respect to accounting and disclosure of financial guarantees based on the investigation report carried out by SEBI. This report was specifically with respect to matter covered in note 3(a) of the Statement and it also extends to other guarantees as well. The said report quantifies the expected credit loss / additional provision with respect to financial guarantees as mentioned in note 3(a) of Statement of Rs. 59,130.18 lakhs to be made by the company in accordance with Ind AS 109 – Financial Instruments. The company has disputed the said report / order and in its opinion, no provision is required to be made based on underlying assets of the various entities and ongoing discussion for settlement of the loans by the respective entities with their lenders. The Company has filed an appeal and application seeking stay against the said Impugned order before the Securities Appellate Tribunal (SAT) seeking reliefs including (a) Setting aside the said Impugned Order and (b) To pass an order staying the effect, implementation and operations of the Impugned Order. Subsequent to quarter end the said appeal as heard and SAT has ruled against the Company. The Company is exploring further legal remedies and intends to file an appeal against the said order.

Considering the same, management view and ongoing dispute, the potential impact on the profit (excluding other comprehensive income) for the quarter and nine months ended December 31, 2022, and consequently on the total equity as on December 31, 2022, cannot be ascertained.

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5. As stated in Note 4 to the Statement and considering the non-evaluation 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 advances / deposits totaling to Rs. 1,64,847.50 lacs and towards diminution in the value on the Company's investments totaling to Rs. 42,483.78 lacs respectively as on December 31, 2022, that were invested in / advanced to certain subsidiaries and other parties which have incurred significant losses and / or have negative net worth as at December 31, 2022 and / or have pending legal disputes with respect to the underlying projects / properties of respective entities, we are unable to comment on the consequential impact of non- provision of impairment on the profit (excluding other comprehensive income) for the quarter and nine months ended December 31, 2022 and consequently on the total equity as on December 31, 2022.
6. Attention is invited to Note 8 to the statement, which mentions that consequent to the ongoing negotiations as regards one-time settlement, the Company has not provided for interest on loan from financial institutions (excluding penal interest, if any) amounting to Rs. 826.64 lacs and Rs. 2,452.66 lacs pertaining to quarter and nine months ended December 31, 2022, respectively (these amounts exclude interest related to one-of the lender with whom settlement has been agreed upon subsequent to the quarter-end). Had this provision for interest on loan been made, profit (excluding other comprehensive income) for the quarter and nine months would have been lower by the said amount and the balance in other equity would have been lower by the said amount. The above is not in accordance with Ind AS 23 Borrowing Cost.

The cumulative impact of the above qualifications on the Statement have not been ascertained by the management and hence cannot be quantified.

Items / qualifications listed in para 4 and 5 have been reported by us in limited review report since quarter and half year ended September 30, 2021 and in the audit report for the year ended March 31, 2022. Further, with respect to qualification mentioned in para 6, the same have been reported by us in limited review report since quarter and nine months ended December 31, 2021, and in audit report for the year ended March 31, 2022.

Qualified conclusion

7. Based on our review as stated in paragraph 3 above and subject to effects of the matters described in basis of qualified conclusion above and read with matters described in the material uncertainty relating going concern para and emphasis of matter paragraph, 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 Standards and other accounting principles generally accepted in India, have not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Material uncertainty related to going concern

8. The Company has various debt obligations aggregating to Rs. 1,01,012.39 lacs within the next 12 months. These obligations are higher than the current assets which are liquid in nature. This 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, the Company has entered / negotiating

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one-time settlement with various lenders, raised funds through issued convertible warrants, entered in development agreement / joint ventures to revive various projects which have significantly high growth potential. The management is confident that they will be able to arrange sufficient liquidity by restructuring the existing terms of borrowings, monetization of non-core assets and mobilization of additional funds. Accordingly, the unaudited standalone financial results are prepared on a going concern basis (Refer Note 7 of the Statement).

Our conclusion is not modified in respect of above matter. In respect of above matter, attention was also drawn by us in our earlier limited review reports on the unaudited standalone financial results and audit report of previous financial year.

Emphasis of matters

9. With respect to security deposits aggregating to Rs 2,209.85 lacs, investments and loans & advances in certain subsidiary companies / entities aggregating to Rs 1,81,125.54 lacs and inventory of construction work in progress of Rs 33,709.67 lacs, we have relied upon management estimates and explanations as regards, various approvals obtained / pending, stage of completion, projections of expected cost and revenue, realization of construction work in progress and market value of the underlying developments rights. These estimates are dynamic in nature and are dependent upon various factors such as eligibility of the tenants, changes in the saleable area, acquisition of new Floor Space Index (FSI) and other factors. Changes in these estimates can have significant impact on the financial results of the company for the quarter and nine months and also future periods, however quantification of the impact due to change in said estimates is not practical. Being a technical matter, these management estimates have been relied upon by us (refer Note 15 to the statement).
10. As stated in note 9 to the Statement, Subsequent to the quarter end, the Company has entered into one-time settlement with one of the financial institutions subject to the compliance with the payment terms. As per the said settlement the Company is required to pay Rs. 18,560 lacs (plus interest as per agreed rate from 1st April 2023) upto 31st January 2025 as per repayment schedule specified therein. Additionally, the write-back for difference (if any) between the original loan amount plus accrued interest upto the date of settlement and the revised amount payable would be accounted in the period in which the condition of settlement arrangement are met.
11. The Company has recognized net deferred tax assets on changes in fair value of financial instruments aggregating to Rs 9,294.26 lacs in the earlier years. In the opinion of the management, there is a reasonable certainty as regards utilization/reversal (consequent to potential increase in fair value in future) of the said deferred tax assets. We have relied upon the management explanation as regards the same (refer Note 6 of Statement).
12. With respect to various legal matters our comments are as under:
 - a. 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 (refer Note 16(a) to the Statement).

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- b. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets aggregating to Rs. 711.91 lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lacs, two flats having written down value of Rs. 86.15 lacs as on December 31, 2022 and Investment in Redeemable Optionally Convertible Cumulative Preference Shares – Series A and Series C made by the Company aggregating to Rs. 556.83 lacs in earlier years. The impact, if any, of its outcome is currently unascertainable (refer Note 16(b) to the Statement).
- c. Emphasis of Matters in respect of a partnership firm (where company is a partner) which were covered under limited review of earlier quarters and audit of previous year. For the quarter and nine months ended December 31, 2022, the said partnership firm is not covered under limited review and management certified accounts have been obtained regarding the same. As explained to us, there are no developments in the said matters:
 - i. As regards the recoverability of Trade Receivables of Rs. 4,930.33 lacs as on December 31, 2022 which are attached under the Prevention of Money Laundering Act, 2002 and non-provision for expected credit loss based on the management assessment as regards the outcome of the said matter.
 - 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.

- d. In addition to the above, the Company is a party to various legal proceedings in normal course of business (including cases pending before the Hon'ble National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016) and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of the operations or cash flow. We have relied upon the representation from the in-house legal team as regards the same (refer Note 16(c) to the Statement).
13. As stated in Note 12 to the Statement, during the previous year, Income tax authority carried out search operation at premises of the Company, firms in which Company is partner and KMP's and during the earlier quarters, Central Bureau of Investigation (CBI) has carried out searches on the premises of one of its wholly owned subsidiaries and KMP of the Company. Certain documents [including back-up of accounting software] were taken by the department and CBI. In view of ongoing proceedings, the company is not in a position to ascertain the possible liability, if any.

Emphasis of matters made by us in the above paragraph 12(c) and their impact on the Statement have not been mentioned in notes to the statement. In respect of matter covered in above para (except para 9 & 10), attention was drawn by us in limited review report since quarter and six months ended September 30, 2021. Further, with respect to matter covered in above para 9, attention was also drawn by us in limited review report since quarter and nine months ended December 31, 2021. Our conclusion is not modified in respect of the above matters.



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Other matters

14. Share of loss (net) from investment in two partnership firms and one limited liability partnership aggregating to Rs. 29.16 lacs and Rs. 148.52 lacs for the quarter and nine months ended December 31, 2022, respectively, included in the Statement, are based on the unaudited financial results of such entities. These unaudited financial results have been reviewed by their respective independent 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.
15. The Statement also includes share of loss (net) from investment one partnership firm, two limited liability partnerships and four association of person aggregating Rs. 84.62 lacs and Rs. 49.52 lacs for the quarter and nine months ended December 31, 2022 respectively, which are based on the financial results of such entities. These financial results have not been reviewed 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.
16. During the previous quarter, the Board has approved the proposal for amalgamation of Platinumcorp Affordable Builders Private Limited ("Transferor Company") with one of its subsidiaries, Royal Netra Constructions Private Limited ("Transferee Company") and their respective shareholders under the scheme of amalgamation. The aforesaid scheme is subject to the approval NCLT (refer Note 18 to the statement).

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

For **N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration No.: 116560W / W100149

MILAN
NAVIN MODY

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MILAN NAVIN MODY
Date: 2023.02.14
19:24:54 +05'30'

Milan Mody

Partner

Membership No.: 103286

UDIN: 23103286BGPZKD6018

Place: Mumbai

Date: 14th February 2023

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

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2022

Sr.No	Particulars	(Rs. in Lacs other than EPS)					
		Quarter Ended		Nine Months Ended		Year Ended	
		31st Dec 22	30th Sep 22	31st Dec 21	31st Dec 22	31st Dec 21	31st Mar 22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations (refer note 25)	62,279.67	1,015.57	803.02	63,988.98	2,377.85	21,943.42
2	Other Income (refer note 19)	4,548.97	2,396.71	660.47	9,166.07	2,796.23	4,707.43
3	Total Income (1+2)	66,828.64	3,412.29	1,463.49	73,155.05	5,174.08	26,650.85
4	Expenses						
	a. Project Expenses (refer note 25)	26,384.92	5,401.77	7,334.84	38,793.01	11,890.56	19,184.83
	b. Changes in inventories of finished goods and work-in-progress (refer note 25)	98,375.70	(4,882.64)	(6,682.44)	87,094.37	(10,335.83)	(6,520.46)
	c. Employee Benefits Expenses	437.73	516.92	171.02	1,202.61	545.40	683.77
	d. Depreciation and Amortisation	11.51	10.78	15.42	30.87	55.07	69.25
	e. Finance Costs (refer note 9)	1,347.86	875.97	2,212.67	3,470.93	27,952.62	28,572.31
	f. Other Expenses	1,752.67	1,363.39	1,240.06	4,252.83	13,652.18	16,069.74
	Total Expenses (a+b+c+d+e+f)	1,28,310.39	3,286.18	4,291.57	1,34,844.62	43,760.00	58,059.44
5	Profit/(Loss) before exceptional items and tax (3-4)	(61,481.75)	126.11	(2,828.08)	(61,689.57)	(38,585.92)	(31,408.58)
6	Exceptional Items (refer note 13)	-	57,502.24	-	57,502.24	-	50,792.64
7	Profit/(Loss) before share of loss of joint venture, associate and tax (5+6)	(61,481.75)	57,628.35	(2,828.08)	(4,187.33)	(38,585.92)	19,384.06
8	Share of profit / (loss) of joint venture and associates (refer note 20)	(222.37)	(141.79)	(811.15)	1,356.99	(3,255.85)	(5,134.35)
9	Profit/(Loss) before tax for the period / year (7+8)	(61,704.12)	57,486.56	(3,639.23)	(2,830.34)	(41,841.77)	14,249.71
10	Tax Expenses						
	(a) Current tax	-	-	-	-	0.05	697.55
	(b) Deferred tax (refer note 7)	556.47	906.95	(5.18)	2,005.66	6,780.25	11,391.97
	(c) (Excess) / short provision of tax for earlier years	9.77	-	-	9.77	(159.73)	(17.96)
	Total Tax expense (a+b+c)	566.24	906.95	(5.18)	2,015.43	6,620.57	12,071.57
11	Profit/(Loss) for the period / year (9-10)	(62,270.36)	56,579.61	(3,634.05)	(4,845.77)	(48,462.34)	2,178.14
12	Other Comprehensive Income						
	A. Items that will not be reclassified to profit or loss						
	(a) Remeasurement of net defined benefit plans	(5.38)	(8.21)	9.91	(16.12)	29.72	(27.07)
	Less: Income tax relating to the above	1.67	2.27	(0.14)	5.01	(0.42)	6.68
	(b) Income / (loss) on fair value adjustment in the value of investments	(1,146.98)	(2,241.83)	-	(3,637.51)	-	10,924.40
	Less: Income tax relating to the above	238.57	466.30	-	756.60	-	(1,999.28)
	Total Other Comprehensive Income (a+b)	(912.12)	(1,781.47)	9.77	(2,892.02)	29.30	8,904.72
13	Total Comprehensive Income for the period (11+12)	(63,182.47)	54,798.15	(3,624.28)	(7,737.79)	(48,433.04)	11,082.86
	Profit after tax						
	Attributable to:						
	Owner of equity	(61,943.93)	56,867.04	(3,448.59)	(3,876.67)	(47,937.05)	2,692.74
	Non controlling interest	(326.43)	(287.45)	(185.46)	(969.11)	(525.28)	(514.60)
	Total	(62,270.36)	56,579.61	(3,634.05)	(4,845.77)	(48,462.34)	2,178.14
	Other Comprehensive Income						
	Attributable to:						
	Owner of equity	(912.77)	(1,782.33)	9.77	(2,893.98)	29.30	8,901.38
	Non controlling interest	0.66	0.86	-	1.97	-	3.35
	Total	(912.12)	(1,781.47)	9.77	(2,892.02)	29.30	8,904.72
	Total Comprehensive Income						
	Attributable to:						
	Owner of equity	(62,856.70)	55,084.71	(3,438.82)	(6,770.65)	(47,907.75)	11,594.12
	Non controlling interest	(325.77)	(286.59)	(185.46)	(967.14)	(525.28)	(511.25)
	Total	(63,182.47)	54,798.12	(3,624.28)	(7,737.79)	(48,433.03)	11,082.87
14	Paid up Equity Share Capital (Face value of Rs. 10 per Equity Share)	34,205.88	34,205.88	24,325.88	34,205.88	24,325.88	25,905.88
15	Other Equity (excluding Revaluation Reserve and including money received against share warrants) (refer note 21)	-	-	-	-	-	1,62,965.09
16	Basic and Diluted EPS (Rs.) (Not Annualised for the quarter)						
	Basic	(22.70)	20.93	(1.42)	(1.31)	(19.71)	1.11
	Diluted (refer note 22)	(22.70)	19.14	(1.42)	(1.31)	(19.71)	1.05
17	Items exceeding 10% of total Expenses Included in other expense						
	Provision for impairment of goodwill	-	-	-	-	8,000.00	8,000.00
	Legal and Professional charges	279.27	437.28	-	755.65	-	-
	Advertisement and Publicity	-	170.88	-	572.63	-	-
	Business promotion	-	227.44	-	-	-	-
	Loss on sale of investment in associate	-	-	-	-	2,815.40	-
	Rates & taxes	217.70	-	-	-	-	-
	Expected credit loss (including fair value of guarantee)	713.26	314.64	-	1,635.01	-	1,333.26

* represents nil or respective items do not exceeds 10% of total other expenses.

Notes:-	
1	The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Parent at its meeting held on February 14, 2023. The Statutory Auditors have carried out limited review of the consolidated financial results for the quarter and nine months ended December 31, 2022. Matters referred to in note no. 3, 4 and 9 below have been qualified by the statutory auditor and matters referred to in note no. 6, 7, 10, 12, 14(a), 14(b), 14(d) and 15 have been mentioned as emphasis of matter in their limited review report.
2	The above unaudited consolidated financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI), and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
3	<p>With respect to guarantees given by the Parent Company: The Parent company carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees and securities of the Company.</p> <p>(a) During the quarter, one of lenders has invoked the corporate guarantee given by the Parent company on behalf of a related party. As per the communication the total demand is Rs 76,038.97 lacs which has been contested by the Parent company vide its response to the said communication. The lender had confirmed / acknowledged the amount of Rs 23,636 lacs vide its letter dated March 8, 2021. The Parent company in its response to the invocation of the corporate guarantee has made an offer to pay Rs 25,400 lacs as a part of its obligation as a guarantor. The management based on the market value of the various other primary securities, corporate guarantee and undertaking by the holding company of the related party entity (for whom guarantee was provided) is confident of recovering the amount (if any) paid to the lenders from the said related party and its holding company and accordingly is of the view that provision is not required to be made.</p> <p>(b) Financial guarantees and securities given by the Parent company on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs 6,811.47 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. Valuation report of such primary / underlying assets provided as securities by the lending companies has not been obtained from the independent valuer. In view of the management, value of such primary / underlying assets provided as securities is greater than the outstanding loans and hence additional liability will not devolve on the Group in spite of the guarantee and securities provided by the Group. In the above amounts, interest and other charges are not included as the same cannot be quantified as the respective borrower/s had disputed the same and also since settlement proposal is in discussion by the respective borrowers with their lenders.</p> <p>(c) Further, financial guarantees and securities given by the Group on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs. 36,280.50 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. As per valuation reports obtained from independent valuer, the value of primary / underlying assets provided as securities by the lending companies is greater than the outstanding loans and hence in view of the management no additional liability is expected to devolve on the Group. In the above amounts, interest and other charges are not included as the same cannot be quantified as the respective borrower/s had disputed the same and also since settlement proposal is in discussion by the respective borrowers with their lenders.</p> <p>Considering the restrictive covenants, value of underlying securities being greater than the outstanding loans, the fair value of the guarantee is Nil.</p> <p>In the earlier quarter, the Parent company's personnel have received summons from Securities Exchange Board of India (SEBI) regarding guarantees/securities given in the past for and on behalf of a related entity as that entity had defaulted in its repayment obligation. The company has duly replied to the said summons.</p> <p>With reference to above, during the quarter, the Securities Exchange Board of India (SEBI) has issued administrative warning (i.e. impugned order) to the Independent Directors with respect to accounting and disclosure of financial guarantees based on the investigation report carried out by SEBI. This report was specifically with respect to matters covered in note 3(a) of the statement and it also extends to other guarantees as well. The said report quantifies the expected credit loss / additional provision with respect to financial guarantees as mentioned in note 3(a) above is Rs. 59,130.18 lakhs to be made by the company in accordance with Ind AS 109 'Financial Instrument'. The company has disputed the said report / order and in its opinion, no provision is required to be made based on underlying assets of the various entities and ongoing discussion for settlement of the loans by the respective entities with their lenders. The Parent Company has filed an appeal and application seeking stay against the said impugned order before the Securities Appellate Tribunal (SAT) seeking reliefs including (a) setting aside the said impugned Order and (b) To pass an order staying the effect, implementation and operations of the impugned Order. Subsequent to quarter end the said appeal was heard and SAT has ruled against the Parent company. The detailed order is awaited. Once received, the Parent company will explore further legal remedies including filing an appeal against the said order before the Hon'ble Supreme Court.</p> <p>This matter has been reported by the statutory auditors in their limited review report for the quarter and nine months ended December 31, 2022.</p>
4	The group has investments in certain associates, joint ventures and other parties aggregating Rs. 16,343.09 lacs (including goodwill on consolidation) and loans and advances outstanding aggregating Rs. 59,148.03 lacs as at December 31, 2022. While such entities have incurred significant losses and/or have negative net worth as at December 31, 2022 and/or have pending legal disputes with respect to the underlying projects/properties of respective entity, 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 given to such entities, which are considered good and fully recoverable. This matter has been reported by the statutory auditors in their limited review report.
5	<p>Note on investment of the group in Marine Drive Hospitality and Realty Private Limited (MDHRPL):</p> <p>a) With respect to 2,470,600 numbers of Redeemable Optionally Convertible Cumulative Preference Shares ("ROCCPS") Series A, 217,630 numbers of ROCCPS Series C and 74,443 numbers of Cumulative Redeemable Convertible Preference Shares ("CRCPS") of MDHRPL held by the group aggregating to Rs. 82,336.58 lacs, management of the Group had during the previous quarter decided not to opt for conversion of aforesaid shares.</p> <p>b) Pursuant to resolution passed in the annual general meeting of the Parent Company and the consent of the board of MDHRPL, 92,600 numbers of Compulsory Convertible Cumulative Preference Shares ("CCCPS") - Series C of MDHRPL aggregating to Rs. 13,334.06 lacs has been converted into 92,600 ROCCPS during the previous quarter. The Group had decided to not to opt for the conversion of aforesaid shares.</p> <p>c) The group has not nominated any director on the Board of MDHRPL.</p> <p>Considering the above facts including management intention to opt for redemption of CRCPS and ROCCPS, the group does not have control over MDHRPL and accordingly is neither considered a subsidiary nor an associate of the Parent Company. The Parent Company holds 15.53% of the paid-up equity share capital of MDHRPL.</p>
6	Real Gem Buildtech Private Limited (a wholly owned subsidiary Company of the Parent Company, hereinafter referred to as "WOS") has during the year ended March 31, 2019 filed a Scheme with National Company Law Tribunal (NCLT) whereby it has proposed to transfer all of its assets and liabilities pertaining to identified Project Undertaking, being "DB Crown" Project on going concern basis as a Slump Sale to Kingmaker Developers Private Limited ("KDPL"). Pursuant to the above application, the NCLT passed certain directions vide order dated November 5, 2019. However, the Company could not comply with the said directions under the above order on account of various reasons including COVID-19. The management is proposing to file an application for reissuance of the above directions. The Company has obtained a legal opinion which confirms that the Company can make such an application for reissuance of the above directions. The management is hopeful that upon filing of new application, it will secure reissuance of the directions from NCLT and in due course of time, the Scheme filed by the Company shall be approved by the NCLT. The impact in the books of accounts of the Company on account of disposal of the Project Undertaking on a Slump Sale basis will be made in the year in which the approval is accorded to the Scheme by NCLT, including the gains, contingent gains and the income-tax thereon. 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 - "Non Current Assets Held for Sale". There is no development in the matter as compared to the previous quarter.
7	The group has recognized net deferred tax asset of Rs. 16,108.09 lacs mainly on changes in fair value of financial instrument and brought forward losses in the earlier years. In the opinion of the management, there is a reasonable certainty as regards utilization / reversal (consequent to potential increase in fair value in future and taxable profits) of the said deferred tax assets.

8	The Group has various debt obligations aggregating to Rs. 1,74,276.21 lacs (including loans from JV's partner with whom various projects are under execution) within next 12 months. These obligations are higher than the liquid assets out of current assets. This 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. Parent Company has entered into one-time settlement with various lenders, raised funds through issued convertible warrants, entered in development agreement / joint ventures to revive various projects which have significantly high growth potential. The management is confident and has made plans to arrange sufficient liquidity by restructuring the existing terms of borrowings, monetization of non-core assets, mobilization of additional funds and conversion of outstanding warrants into equity shares. Accordingly, the consolidated financial results are prepared on a going concern basis. The statutory auditors have drawn attention of above matter in their limited review report on the financial results for the quarter and nine months ended December 31, 2022 in line with the earlier limited review reports / independent audit reports (also refer note 21).
9	The Group has not provided for interest on loan from one of the financial institutions amounting to Rs. 826.64 lacs and Rs. 2,452.66 lacs pertaining to quarter and nine months ended December 31, 2022, respectively considering the ongoing discussions / negotiations with lenders as regards to one time settlement. These amounts exclude interest related to one of the lender with whom settlement has been agreed upon subsequent to the quarter-end. This matter has been reported by the statutory auditors in their limited review report (also see note 10).
10	Subsequent to the quarter end, the Group has entered into one-time settlement with one of the financial institutions subject to the compliance with the payment terms. As per the said settlement the Group is required to pay Rs. 40,000 lakhs (plus interest as per agreed rate from 1st April 2023) upto 31st January 2025 as per repayment schedule specified therein. Additionally, the write-back of Rs. 7,312.38 lakhs for the difference (if any) between the original loan amount plus accrued interest of Rs. 46,801.30 lacs upto the date of settlement and the revised amount payable of Rs. 39,288.92 lacs (present value of revised payable amount) would be accounted in the period in which the condition of settlement arrangement are met.
11	In the previous quarter, the Parent company has repaid the entire outstanding principal amount to one of its lenders under restructuring & settlement proposal and the unpaid interest amount has converted into funded interest term loan which will be repaid over 24 months (including moratorium period of 6 months).
12	With respect to security deposits aggregating to Rs. 2,209.85 lacs, investments and loans & advances in certain subsidiary companies / entities aggregating to Rs. 190,695.65 lacs and inventory of construction work in progress of Rs. 2,47,757.69 lacs, we have relied upon managements estimates and explanation as regards, various approvals obtained / pending, stage of completion, projections of expected cost and revenue, realization of construction work in progress and market value of the underlying developments rights. These estimates are dynamic in nature and are dependent upon various factors such as eligibility of the tenants, changes in the saleable area, acquisition of new Floor Space Index (FSI) and other factors. Changes in these estimates can have significant impact on the financial results of the company for the quarter and half year and also future periods, however quantification of the impact due to change in said estimates is not practical. Being a technical matter, these management estimates have been relied upon by auditors.
13	Details of exceptional items: (a) During the previous quarter, pursuant to one time settlement proposal entered, one of the subsidiaries has settled loan of Rs. 85,000 lacs taken from the lender for an amount of Rs. 27,497.76 lacs during the previous quarter. Accordingly, the said write back on recognition of the said liability of Rs. 57,502.24 has been disclosed under exceptional item. (b) During the previous year, parent company has completed One Time Settlement (OTS) with two lenders. Consequently, interest waived by the lenders of Rs. 6,675.35 lacs has been disclosed under exceptional item. Additionally, various subsidiaries (excluding point (c) below) had entered into settlement with various lenders / parties and have consequently written back Rs. 8,945.06 lacs. (c) During the previous year, reversal of impairment loss of Rs. 21,802.68 lacs (net of unaccounted gain on CREPS valued at amortized cost of Rs. 19,119.61 lacs) with respect to the investment in Marine Drive Hospitality and Realty Private Limited. Additionally with respect to instruments where the Company had opted for FVTOCI, the reversal of impairment loss had been credited to other comprehensive income. The reversal of impairment loss is mainly on account of unlocking of development potential of the underlying property held by the said entity and its subsidiaries. The corresponding deferred tax assets created on these impairment loss provided in the earlier years was also reversed of Rs. 4,308.72 lacs. (d) During the previous year, MIG (Bandra) Realtors & Builders Private Limited had written back the net amount payable to one party aggregating to Rs. 13,369.55 lacs (against whom bankruptcy proceedings were initiated during the previous year) based on the supplemental agreement and approval of the resolution plan by the CIRP and the committee of creditors during the previous year. The said write-back was disclosed as an exceptional item in the results of the previous year.
14	Following are the major litigation updates of the group: a. As regards certain allegations made by the Enforcement Directorate against the Parent Company and its two Key Managerial Persons (KMPs), in a matter relating to Prevention of Money Laundering Act, 2002, this matter is sub-judice. The Parent and its two KMPs have been acquitted by the Honble CBI Special Court and the Enforcement Directorate has filed an appeal against the said order. There is no new development in this matter from the quarter ended September 30, 2022. b. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Parent Company's assets aggregating to Rs. 711.91 lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lacs, two flats having written down value of Rs. 86.15 lacs as on December 31, 2022 and investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A and Series C made by the parent company aggregating to Rs. 556.83 lacs in earlier years. The impact, if any, of its outcome is currently unascertainable. There is no new development in this matter from the quarter ended September 30, 2022. c. MIG (Bandra) Realtors & Builders Private Limited and Middle Income Group Co-operative Society Limited (MIG) had entered into consent terms dated December 27, 2021 for settlement of their disputes inter se in the previous year. The MIG (Bandra) Realtors & Builders Private Limited has provided for the amounts due as per consent terms. The impact of the same was already given in the previous year. d. The group is a party to various legal proceedings in normal course of business (including cases pending before the Honble National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016) and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of the operations or cash flow.
15	During the previous year, the premises of the group and that of their KMPs were searched by the Income Tax department. During the previous quarter, Central Bureau of Investigation (CBI) has carried out searches of one of the wholly owned subsidiary (WOS) and premises of KMPs. Certain documents (including back-up of the accounting software) have been taken by the department and CBI. The WOS has submitted all information as requested by the CBI from time to time and as per the WOS's understanding there is no pending information to be provided to the CBI as on December 31, 2022. However, the group is confident that it has not indulged in any activity that may make it liable for any liability in this regard.
16	With respect to one of the project being developed by MIG (Bandra) Realtors & Builders Private Limited (WOS), during the previous year, Adani Goodhomes Private Limited (Adani) submitted a resolution plan to resolution professional (RP) appointed by the lenders of the Radius Estates and Developers Private Limited (Radius), which was approved by the committee of creditors (CoC) and the same was filed with NCLT for approval. The approval from NCLT has been received by Adani. The said WOS had entered into a Master Facility Agreement (MFA) dated December 28, 2021 with Adani which provided for funding arrangements, project management and other terms so as to enable completion of the project. Subsequent to the above, activities at the project site was commenced in the previous period / year.
17	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.
18	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.
19	Other income includes 1,979.49 & Rs. 5,699.89 lacs for the quarter and nine months ended December 31, 2022, respectively, on unwinding of financial instruments with respect to CRCPs of MDRPL held by the Company which are accounted on amortised cost basis. Further, for the current quarter, it also includes Rs. 2,170 lakhs on account of reversal of provision for doubtful debts on account of realization of the receivables.
20	For the nine months ended, share of profit / (loss) of joint venture and associates includes Rs. 2,025.57 lacs on account of gain due to changes in fair value of financial instruments (which is accounted at FVTPL) in one of the joint venture company.

21	<p>During the previous year, the Parent had allotted 25,75,00,000 warrants convertible into equity shares on preferential basis upon payment of 25% of total issue price and raised Rs. 38,604.56 lacs. One of the objectives of raising warrants was to reduce debt and meet funding requirements of the Company, its subsidiaries, JVs and partnership firms in which the Company is a partner. The said warrants entitle the allottees to apply for and be allotted equal number of equity shares for each warrant held on payment of balance 75% of the issue price amounting to Rs. 115,813.69 lacs within 18 months from the date of allotment of the warrants.</p> <p>Some of the allottees exercised their conversion option and had converted 1,58,00,000 warrants into equity shares during the previous year upon payment of balance 75% of the issue price on such warrants aggregating to Rs. 5,113.28 lacs. The Parent company had also received the listing approval from recognised stock exchanges for the listing of 1,58,00,000 shares during the year ended March 31, 2022.</p> <p>Further, during the quarter and nine months ended December 31, 2022, 8,30,00,000 warrants have been converted into equity shares on exercise of conversion option by promoter allottees and investors upon payment of 75% of issue price of such warrants aggregating to Rs. 31,975.87 lacs. The Company had also received the listing approval from recognised stock exchanges for the listing of 8,30,00,000 shares during the quarter and nine months ended December 31, 2022. Additionally, Rs 2,811.63 lacs has been received as advance towards balance share warrants which are to be converted.</p> <p>Further, subsequent to quarter end, 1,296,000 warrants have been converted into equity shares on exercise of conversion option by investor and accordingly the Parent Company has filed an application for listing approval with the recognised stock exchange for issue of such shares and the approval for the same is awaited.</p>
22	For the quarter ended September 30, 2022 convertible share warrants and ESOPs are considered for calculation of diluted EPS. For the quarter and nine months ended December 31, 2022, convertible share warrants and ESOPs and for the year ended March 31, 2022, the convertible share warrants are anti-dilutive and hence not required to be considered for diluted EPS.
23	The board has approved the proposal for amalgamation of Platinumcorp Affordable Builders Private Limited ("Transferor Company") and Royal Netra Constructions Private Limited ("Transferee Company") and their respective shareholders ("Scheme") under composite scheme of amalgamation and arrangement under sections 230 to 232, section 66 and other applicable provisions of the Companies Act, 2013 subject to approval National Company Law Tribunal. No accounting treatment has been given in the books pending the said approval.
24	During the current quarter, the Company has acquired remaining 9% stake (i.e. 12.60 lakhs equity shares) in DB Man Realty Limited and 26% stake (i.e. 0.03 lakhs equity shares) in Spacecon Realty Private Limited as a result these entities have become wholly owned subsidiaries of the Company. Further, during the earlier quarter, Parent has acquired additional stake in the Great View Buildcon Private Limited and hence the same has become a subsidiary company w.e.f. May 10, 2022 (Till May 9, 2022, Great View Buildcon Private Limited was a step down joint venture of the Parent).
25	During the quarter, one of the wholly owned subsidiary (WOS) has entered into joint venture with Godrej Residency Pvt Ltd (GRPL) for development of its land parcel. In pursuance of the said transaction, the WOS has executed deed of conveyance in favour of GRPL for the agreed sale consideration. The loss of Rs 62,623.65 lacs after considering the carrying value of the land as also the liability on account of settlement with the lender has been accounted for during the quarter. Any future gain which is contingent on the market conditions would be accounted upon as and when the same is realised.
26	One of the subsidiary companies has given refundable security deposit of Rs. 4,700 lacs during nine months ended December 31, 2022 and outstanding balance is Rs 12,723.55 lacs as on December 31, 2022 for an option to acquire certain assets of a group entity subject to due diligence, statutory approvals etc.
27	In accordance with Employee Stock Option Plan scheme, the Parent has granted 32.25 lac equity shares to its employees (including the employees of its subsidiaries, associates and joint ventures) at an exercise price of Rs. 41.45 per equity share during the earlier quarter. Accordingly, the same has been accounted as per 'Ind AS 102 - Share Based Payment'.
28	Figures for the previous periods / year are re-classified / re-arranged / re-grouped wherever necessary to conform current period's presentation.

Dated:- February 14, 2023
Place:- Mumbai

For D B Realty Limited
SHAHID Digitally signed by
USMAN SHAHID USMAN
BALWA BALWA
BALWA Date: 2023.02.14
19:27:15 +05:30
Shahid Balwa
Chairman & Managing Director
DIN 00016839

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Limited Review Report on quarterly and year to date unaudited Consolidated Financial Results of D B Realty Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
D B Realty Limited

1. We have reviewed the accompanying unaudited consolidated financial results ("the Statement") of D B Realty Limited ("the Parent or Holding Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its associates and joint ventures for the quarter and nine months ended December 31, 2022, attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

Management responsibility for the Statement

2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('IndAS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Auditor's Responsibility

3. Our responsibility is to express a conclusion on the Statement based on our review.

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 provides 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 Listing regulations, as amended, to the extent applicable.

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

Sr. No.	Name of the Entity	Relationship
Companies		
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

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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.	Prestige (BKC) Realtors Private Limited (formerly known as DB (BKC) Realtors Private Limited)	Joint Venture
18.	Neelkamal Realtors Tower Private Limited	Subsidiary
19.	D B Hi-Sky Construction Private Limited	Associate
20.	Shiva Realtors Suburban Private Limited	Associate
21.	Shiva Buildcon Private Limited	Associate
22.	Shiva Multitrade Private Limited	Associate
23.	Horizontal Ventures Private Limited (along with Milan Theatres Private Limited, subsidiary company) (formerly known as Horizontal Realty and Aviation Private Limited)	Step down Subsidiary
24.	Great View Buildcon Private Limited (formerly known as Turf Estate Realty Private Limited) (Step down Joint Venture upto May 9, 2022 and Subsidiary with effect from May 10, 2022)	Subsidiary
25.	Pandora Projects Private Limited	Joint Venture
Partnership Firms/ LLP's/Association of Persons		
26.	Mira Real Estate Developers	Subsidiary
27.	Conwood –DB Joint Venture (AOP)	Subsidiary
28.	ECC - DB Joint Venture (AOP)	Subsidiary
29.	Turf Estate Joint Venture (AOP)	Subsidiary
30.	Innovation Erectors LLP	Subsidiary
31.	Turf Estate Joint Venture LLP	Joint Venture
32.	M/s Dynamix Realty	Joint Venture
33.	M/s DBS Realty	Joint Venture
34.	Lokhandwala Dynamix-Balwas JV	Joint Venture
35.	DB Realty and Shreepati Infrastructures LLP	Joint Venture
36.	Sneh Developers	Step down Joint Venture
37.	Evergreen Industrial Estate	Step down Joint Venture
38.	Shree Shantinagar Venture	Step down subsidiary
39.	Suraksha DB Realty	Step down Joint Venture
40.	Lokhandwala DB Realty LLP	Step down Joint Venture
41.	OM Metal Consortium	Step down Joint Venture
42.	Ahmednagar Warehousing Developers and Builders LLP	Step down Joint Venture
43.	Solapur Warehousing Developers and Builders LLP	Step down Joint Venture
44.	Aurangabad Warehousing Developers Builders LLP	Step down Joint Venture
45.	Latur Warehousing Developers and Builders LLP	Step down Joint Venture
46.	Saswad Warehousing Developers and Builders LLP	Step down Joint Venture
47.	Godrej Residency P Ltd. (effective from December 23, 2022)	Step down Joint Venture

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Basis of Qualified Conclusion

5. Non-remeasurement of financial guarantees at fair value under Ind AS 109 – Financial Instruments (also refer note 3 to the statement):

- a. During the quarter, one of the lenders has invoked the corporate guarantee given by the Parent company on behalf of a related party. As per the communication the total demand is Rs 76,038.97 lacs which has been contested by the company vide its response to the said communication. As explained to us, the lender had confirmed / acknowledged the amount of Rs 23,636 lacs vide its letter dated March 8, 2021. The company in its response to the invocation of the corporate guarantee has made an offer to pay Rs 25,400 lacs as a part of its obligation as a guarantor.

The management based on the market value of the various other primary securities, corporate guarantee and undertaking by the holding company of the related party entity (for whom guarantee was provided) is confident of recovering the amount (if any) paid to the lenders from the said related party and its holding company and accordingly is of the view that provision is not required to be made.

- b. Financial guarantees and securities given by the Parent Company on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs 6,811.47 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. Valuation report of such primary / underlying assets provided as securities by the borrowing companies has not been obtained from the independent valuer. In view of the management, value of such primary / underlying assets provided as securities is greater than the outstanding loans and hence additional liability will not devolve on the Company.
- c. Further, Financial guarantees and securities given by the Parent Company on behalf of certain entities who have defaulted in their principal payment obligations to the lenders aggregating to Rs. 36,280.50 lacs (excluding interest, penal interest and other charges). The loans taken by these entities have also been secured by charge on the underlying assets of the said entities and assets of other related parties. As per valuation reports obtained from independent valuer, the value of primary / underlying assets provided as securities by the borrowing is greater than the outstanding loans and hence in view of the management no additional liability is expected to devolve on the Company.

With reference to above, during the quarter, Securities Exchange Board of India (SEBI) has issued administrative warning (i.e. impugned order) to the Independent Directors with respect to accounting and disclosure of financial guarantees based on the investigation report carried out by SEBI. This report was specifically with respect to matter covered in note 3(a) of the Statement and it also extends to other guarantees as well. The said report quantifies the expected credit loss / additional provision with respect to financial guarantees as mentioned in note 3(a) of Statement of Rs. 59,130.18 lakhs to be made by the company in accordance with Ind AS 109 – Financial Instruments. The Parent Company has disputed the said report / order and in its opinion, no provision is required to be made based on underlying assets of the various entities and ongoing discussion for settlement of the loans by the respective entities with their lenders. The Parent Company has filed an appeal and application seeking stay against the said Impugned order before the Securities Appellant Tribunal (SAT) seeking reliefs including (a) Setting aside the said Impugned Order and (b) To pass an order staying the effect, implementation and operations of the Impugned Order. Subsequent to quarter end the said appeal

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as heard and SAT has ruled against the Company. The Company is exploring further legal remedies and intends to file an appeal against the said order.

Considering the same, management view and ongoing dispute, the potential impact on the loss (excluding other comprehensive income) for the quarter and nine months ended December 31, 2022, and consequently on the total equity as on December 31, 2022, cannot be ascertained.

6. Further to what is stated in Note 4 to the Statement and considering the non-evaluation 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 advances / deposits totaling to Rs. 59148.04 lacs and towards diminution in the value on the Group's investments (including goodwill on consolidation) totaling to Rs. 16,343.09 lacs respectively as on December 31, 2022, that were invested in / advanced to certain associates, joint ventures and other parties which have incurred significant losses and/or have negative net worth as at December 31, 2022 and / or have pending legal disputes with respect to the underlying properties of respective entity. We are unable to comment on the consequential impact of non-provision of impairment on the loss for the quarter and nine months ended December 31, 2022, and consequently on the total equity as at December 31, 2022.
7. As stated in Note 9 to the Statement, during the quarter and nine months ended December 31, 2022, the Group has not provided for interest on loan from bank and financial institutions (excluding penal interest, if any) amounting to Rs. 826.64 lacs and Rs. 2,452.66 lacs pertaining to quarter and nine months ended December 31, 2022, respectively (these amounts exclude interest related to one-of the lender with whom settlement has been agreed upon subsequent to the quarter-end), considering the ongoing discussions / negotiations with lenders as regards to one-time settlement. Cumulative impact due to non-provision of interest liability has not been ascertained by the management. The above is not in accordance with Ind AS 23 Borrowing Cost.

The cumulative impact of the above qualifications on consolidated financial results for the quarter and nine months ended December 31, 2022 has not been ascertained by the management and hence cannot be quantified.

The above matters have been reported by us since limited review report on the consolidated financial statements for the quarter and half year ended September 30, 2021, and in the audit report for the year ended March 31, 2022.

Qualified Conclusion

8. Based on our review as stated in paragraph 3 above and subject to the effects of the matters described in basis of qualified conclusion 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 Standards 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.

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Material uncertainty related to going concern

9. The Group has various debt obligations aggregating to Rs 1,74,276.21 lacs within the next 12 months. These obligations are higher than the current assets which are liquid in nature. This 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, Parent Company has entered / one-time settlement with various lenders, raised funds through issued convertible warrants, entered in development agreement / joint ventures to revive various projects which have significantly high growth potential. The management is confident that they will be able to arrange sufficient liquidity by restructuring the existing terms of borrowings, monetization of non-core assets and mobilization of additional funds. Accordingly, the consolidated financial results are prepared on a going concern basis (refer note 8 to the Statement).

Our conclusion is not modified in respect of above matter. In respect of above matter, attention was also drawn by us in our earlier limited review reports on the unaudited consolidated financial results and audit report of previous financial year.

Emphasis of matters

10. With respect to security deposits aggregating to Rs 2,209.85 lacs, investments and loans & advances in certain subsidiary companies / entities aggregating to Rs 190,695.65 lacs and inventory of construction work in progress of Rs 2,47,757.69 lacs, we have relied upon management estimates and explanations as regards, various approvals obtained / pending, stage of completion, projections of expected cost and revenue, realization of construction work in progress and market value of the underlying developments rights. These estimates are dynamic in nature and are dependent upon various factors such as eligibility of the tenants, changes in the saleable area, acquisition of new Floor Space Index (FSI) and other factors. Changes in these estimates can have significant impact on the financial results of the company for the quarter and nine months ended and also future periods, however quantification of the impact due to change in said estimates is not practical. Being a technical matter, these management estimates have been relied upon by us (refer note 12 to the statements).
11. As stated in note 10 to the Statement, Subsequent to the quarter end, the Group has entered into one-time settlement with one of the financial institutions subject to the compliance with the payment terms. As per the said settlement the Group is required to pay Rs. 40,000 lacs (plus interest as per agreed rate from 1st April 2023) upto 31st January 2025 as per repayment schedule specified therein. Additionally, the write-back for difference (if any) between the original loan amount plus accrued interest upto the date of settlement and the revised amount payable would be accounted in the period in which the condition of settlement arrangement are met.
12. The group has recognized net deferred tax assets of Rs. 16,108.09 lacs mainly on changes in fair value of financial instruments and brought forward losses in the earlier years. In the opinion of the management, there is a reasonable certainty as regards utilization / reversal (consequent to potential increase in fair value in future and taxable profits) of the said deferred tax assets. We have relied upon the management explanation as regards the same (refer note 7 of the Statement).
13. As stated in note 15 to the Statement, during the previous year, Income tax authorities carried out search operation at premises of the Group and KMP's and during the earlier quarter, Central Bureau of Investigation (CBI) has carried out searches on the premises of one of the subsidiaries. Certain documents [including back-up of accounting software] was taken by the department and CBI. In view of ongoing proceedings, the Group is not in a position to ascertain the possible liability, if any.

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14. With respect to various legal matters our comments are as under:
- a. 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 (refer note 14(a) of the Statement).
 - b. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Parent's assets aggregating to Rs. 711.91 lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lacs, two flats having written down value of Rs. 86.15 lacs as on December 31, 2022, and Investment in Redeemable Optionally Convertible Cumulative Preference Shares – Series A and Series C of Marine Drive Hospitality and Realty Private Limited of Rs. 556.83 lacs in earlier years. The impact, if any, of its outcome is currently unascertainable at this stage (refer note 14(b) of the Statement).
 - c. Emphasis of Matters in respect of a partnership firm (where Parent is one of the partner) which were covered under limited review of earlier quarters and audit of previous year. For the quarter and nine months ended December 31, 2022, the said partnership firm is not covered under limited review and management certified accounts have been obtained regarding the same. As explained to us, there are no development in the said matters:
 - i. As regards recoverability of Trade Receivables of Rs. 4,930.33 lacs as on December 31, 2022 which are attached under the Prevention of Money Laundering Act, 2002 and non-provision for expected credit loss based on the management assessment as regards the outcome of the said matter.
 - 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.
 - d. In one of the subsidiary company, project cost carried in inventory totaling to Rs. 2,299.45 lacs as on December 31, 2022 is under litigation and are sub-judice. Based on the assessment done by the Management of the said entity, no adjustments are considered necessary in respect of the recoverability of the said balance. The impact, if any, of the outcome is unascertainable at present.
 - e. In addition to the above, the Group, its associate and joint ventures are party to various legal proceedings in normal course of business (including cases pending before the Hon'ble National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016) and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of the operations or cash flow. We have relied upon the representation from the in-house legal team as regards the same (refer note 14(d) of the Statement).
15. In case of two subsidiaries, with regards to the memorandum of understanding entered into with parties / land aggregator for acquiring part of the rights in leasehold land / properties for development thereof, including advances granted aggregating to Rs. 3,507 lacs and amounts which are committed and the implications (example -forfeiture etc.), if the entities are not able to complete its obligations within the agreed timelines.

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16. 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 Kingmaker Developers Private Limited ("KDPL") and adjustment of the profit / loss relating to the said Project Undertaking, being carried out by the said subsidiary in trust for KDPL. The company had filed an application with the NCLT, however it has not complied with directions of the NCLT on account of Covid-19. As explained to us, the subsidiary company is in the process of making an application for re-issuance of directions and based on decision / directions of the NCLT on the re-issuance application, further steps would be determined. This being a legal matter, we have relied upon the representation provided by the legal team of the group (Refer note 6 of the Statement). As further stated in said note, there has been no development in this matter.
17. In case of a step-down subsidiary company, non-provision of disputed service tax demand of Rs. 1,843.77 lacs as on December 31, 2022.

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

Emphasis of matter made by us in the above paragraphs 14(c), 14(d), 15 and 17 and their impact on the Statement, have not been disclosed in the notes to the Statement. In respect of matter covered in above para (except para 11), attention was drawn by us in limited review report since quarter and half year ended September 30, 2021. Our conclusion was not modified in respect of the above matters in earlier quarters also.

Other matters

18. We did not review the interim financial results of seven subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total income (excluding exceptional income) of Rs. 62,153.12 and Rs. 63,816.17 lacs for the quarter and nine months ended December 31, 2022, respectively, total loss after tax of Rs. 55,128.79 for the quarter and total profit after tax of Rs. 727.19 lacs nine months ended December 31, 2022, and total comprehensive loss of Rs. 55,126.86 lacs for the quarter end and total comprehensive income of Rs. 732.97 lacs for the nine months ended December 31, 2022, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net loss of Rs. 789.55 lacs for the quarter and Group's share of net profit of Rs. 752.15 lacs for the nine months ended December 31, 2022, and total comprehensive loss of Rs. 789.54 lacs for the quarter and total comprehensive profit of Rs. 752.19 lacs for nine months ended December 31, 2022, as considered in the unaudited consolidated financial results, in respect of five joint ventures (including two 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 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.
19. The unaudited consolidated financial results include the interim financial results of seventeen subsidiaries (including two step-down subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 26.62 lacs and Rs. 222.83 lacs, total net loss of Rs. 1,265.43 lacs and Rs. 2,852.11 lacs and total comprehensive loss of Rs. 1,269.28 lacs and Rs. 2,852.11 lacs for the quarter and nine months ended December 31, 2022, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit after tax of Rs. 379.70 lacs and Rs. 4.84 lacs and total comprehensive profit of Rs. 379.70 lacs and Rs. 4.84 lacs for the quarter and nine months ended December 31, 2022, respectively, as considered in the unaudited consolidated financial results, in respect of sixteen associates and joint ventures (including nine step down joint ventures), based on their interim financial results which have not been reviewed by their auditors. According to the information and

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explanation given to us by the Management, these interim financial results are not material to the Group including its associates and joint ventures.

20. During the previous quarter, the Board has approved the proposal for amalgamation of Platinumcorp Affordable Builders Private Limited ("Transferor Company") with one of its subsidiaries, Royal Netra Constructions Private Limited ("Transferee Company") and their respective shareholders under the scheme of amalgamation. The aforesaid scheme is subject to the approval of NCLT (refer note 24 of the statement).

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and unaudited financial results provided by the Management.

For N. A. Shah Associates LLP
Chartered Accountants

Firm Registration No.: 116560W/W100149

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Date: 2023.02.14
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Milan Mody

Partner

Membership number: 103286

UDIN: 23103286BGPZKE1117

Place: Mumbai

Date: February 14, 2023