



Fitch Ratings assigns stable outlook to Indiabulls Real Estate

Fitch Ratings has given a stable outlook to Indiabulls Real Estate's and expects the realty firm's debt to reduce by more than Rs 700 crore this fiscal. Fitch Ratings affirmed Indiabulls Real Estate's (IBREL) long-term foreign-currency issuer default rating (IDR) of 'B+'.

"The outlook is stable," the rating agency said in a statement. Fitch expects IBREL's net debt to reduce to around Rs 4,800 crore by end of 2015-16 fiscal from Rs 5,540 crore a year earlier, and fall further thereafter. IBREL has raised funds that it plans to use to reduce debt. Stating that the operating environment is showing signs of improvement, Fitch said that IBREL's contracted sales were Rs 800 crore during first quarter of 2015-16 compared with Rs 550 crore in the preceding quarter and Rs 560 crore a year earlier. During 2014-15, the company's sales fell to Rs 2,030 crore from Rs 2,430 crore in 2013-14. "IBREL has a land bank of about 7 million square metres, which is sufficient to support project development over the next six to seven years based on current plans," Fitch Ratings said.