

Walker Chandiok & Co LLP

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Independent Auditor's Report on Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Puravankara Limited (formerly Puravankara Projects Limited)

1. We have audited the standalone financial results of Puravankara Limited (formerly Puravankara Projects Limited) ('the Company') for the year ended 31 March 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 12 to the standalone financial results regarding the figures for the quarter ended 31 March 2017 as reported in these standalone financial results, which are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published standalone year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2017 and our review of standalone financial results for the nine months period ended 31 December 2016.



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2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (ii) give a true and fair view of the standalone net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2017.
4. The Company had prepared separate standalone financial results for the year ended 31 March 2016, based on the standalone financial statements for the year ended 31 March 2016 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and standalone financial results for the nine months period ended 31 December 2015 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, on which we issued auditor's report dated 27 May 2016. These standalone financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Walker Chandiok & Co. LLP
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sanjay Banthia
per **Sanjay Banthia**
Partner
Membership No. 061068



Place: Bengaluru
Date: 29 May 2017

(₹/Crores, except share and per share data)

Statement of audited standalone financial results for the quarter and year ended 31 March 2017

Sl. No.	Particulars	Quarter ended			Year ended	
		31 Mar 17	31 Dec 16	31 Mar 16	31 Mar 17	31 Mar 16
		Audited	Restated	Audited	Audited	Audited
1.	Income from operations					
	Revenue from projects	186.84	197.65	195.63	894.11	1,004.52
	Other operating revenues	75.28	2.00	2.13	82.36	11.17
	Total Income from operations	262.12	199.65	197.76	976.47	1,015.69
2.	Expenses					
	Material and contract cost	124.02	116.07	135.69	447.94	558.25
	Land and other related costs	190.64	1.19	96.45	812.29	148.19
	Change in inventories	(197.18)	(20.40)	(142.26)	(777.69)	(161.64)
	Employee benefit expense	18.37	16.29	16.80	67.37	70.05
	Depreciation and amortization expense	2.45	2.50	2.55	9.98	10.51
	Other expenses	36.00	27.58	45.59	123.09	154.05
	Total expenses	174.30	143.23	154.82	682.98	779.41
3.	Profit from operations before other income, finance expense and exceptional items (1-2)	87.82	56.42	42.94	293.49	236.28
4.	Other income	8.79	5.57	15.51	34.00	59.18
5.	Profit from ordinary activities before finance expense and exceptional items (3+4)	96.61	61.99	58.45	327.49	295.46
6.	Finance expense, net	56.39	52.89	46.95	209.93	185.52
7.	Profit from ordinary activities after finance cost and before exceptional items (5-6)	40.22	9.10	11.50	117.56	109.94
8.	Exceptional items	-	-	-	-	-
9.	Profit from ordinary activities before tax(7-8)	40.22	9.10	11.50	117.56	109.94
10.	Tax expense	(0.56)	2.91	3.41	17.05	23.83
11.	Net profit from ordinary activities after tax (9-10)	40.78	6.19	8.09	100.51	86.11
12.	Extraordinary items (net of tax expenses)	-	-	-	-	-
13.	Net Profit for the period (11-12)	40.78	6.19	8.09	100.51	86.11
14.	Other Comprehensive Income/(Loss) (net of tax expense)	(0.35)	(0.01)	0.38	(0.05)	0.36
15.	Total Comprehensive Income/(Loss) for the period (13+14)	40.43	6.18	8.47	100.46	86.47
16.	Paid-up equity share capital (face value ₹ 5/share)	118.58	118.58	118.58	118.58	118.58
17.	Earnings per share (before extraordinary items) (not annualised)					
	Basic : (₹)	1.70	0.26	0.36	4.24	3.65
	Diluted : (₹)	1.70	0.26	0.36	4.24	3.65
	Earnings per share (after extraordinary items) (not annualised)					
	Basic : (₹)	1.70	0.26	0.36	4.24	3.65
	Diluted : (₹)	1.70	0.26	0.36	4.24	3.65



Standalone statement of assets and liabilities :

Particulars	As at	
	31 Mar 17	31 Mar 16
	Audited	Audited
Assets		
Non-current assets		
(a) Property, Plant and Equipment	38.14	45.81
(b) Capital work-in-progress	0.08	-
(c) Investment Property	39.33	432.64
(d) Other Intangible assets	3.85	4.48
(e) Financial Assets		
(i) Investments	33.27	29.48
(ii) Loans and advances	339.23	356.48
(iii) Other financial assets	13.10	1.78
(f) Deferred tax assets (net)	34.29	34.44
(g) Other non-current assets	96.08	72.57
Total Non-current assets	597.37	977.68
Current assets		
(a) Inventories	3,460.14	2,687.25
(b) Financial Assets		
(i) Trade receivables	331.64	219.94
(ii) Cash and cash equivalents	49.46	191.92
(iii) Bank balances other than (iii) above	3.52	8.48
(iv) Loans and advances	71.52	67.61
(v) Others	123.64	162.40
(c) Current Tax Assets (Net)	-	7.63
(d) Other current assets	137.97	170.79
Total current assets	4,177.89	3,516.02
Total assets	4,775.26	4,493.70
Equity and liabilities		
Equity		
(a) Equity Share capital	118.58	118.58
(b) Other Equity	1,861.73	1,780.14
Total equity	1,980.31	1,898.72
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	513.41	932.99
(ii) Other financial liabilities	7.76	8.66
(b) Provisions	7.32	9.63
(c) Deferred tax liabilities (Net)	-	-
(d) Other non-current liabilities	-	-
Total non-current liabilities	528.49	951.28
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	959.78	742.19
(ii) Trade payables		
total outstanding dues of micro enterprises and small enterprises	3.53	5.84
total outstanding dues of creditors other than micro enterprises and small enterprises	188.52	199.52
(iv) Other financial liabilities	416.25	382.91
(b) Other current liabilities	697.05	309.56
(c) Provisions	1.33	0.83
(d) Current Tax Liabilities (Net)		2.85
Total current liabilities	2,266.46	1,643.70
Total liabilities and equity	4,775.26	4,493.70

- The above audited standalone financial results of the company for the quarter and year ended 31 March 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting on 29 May 2017.
- The financial results have been prepared in accordance with the principles and procedures of Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013.
- The Company is engaged in the development and construction of residential and commercial properties which is considered to be the only reportable business segment in line with the provisions of Ind AS 108. Further the Company does not have significant foreign operations.
- The Company has adopted Ind AS from 01 April 2016 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder. The date of transition to Ind AS is 01 April 2015. The impact of transition has been accounted for in the opening reserves and comparative period results have been restated accordingly.
- During the year ended 31 March 2017 and 31 March 2016, the Company has received dividend/ interim dividend of ₹ 18.50 and ₹ 36.76, respectively, from its wholly owned subsidiaries. In accordance with Income Tax Act, dividend distribution tax of ₹ 3.76 and ₹ 7.48, respectively, paid by the subsidiaries on the aforesaid dividend has been adjusted with the dividend distribution tax of the Company. Consequently, the above amount has been credited to reserves & surplus.



6 (a) During the quarter ended 30 June 2014, the Company had entered into a sale deed and agreement to sell undivided share (UDS) of its property under development aggregating to 50% of the said property for a cash consideration of ₹ 320.81. Of the total consideration, ₹ 155.81 was received for the 25% portion of the land and accordingly recorded as revenue during quarter ended 30 June 2014. The balance consideration amounting to ₹ 165 towards the remaining 25% was contingent on receiving plan sanction and accordingly it was deferred.

During the quarter ended 30 September 2016, the above contingency has been resolved and the Company has entered into a supplemental agreement to sale on 26 September 2016 transferring the UDS for a deferred consideration of ₹ 165. Consequent to above, the Company has recorded the fair value of ₹ 151.59 as revenue for the sale of UDS of its property under development.

(b) During the year ended 31 March 2016, the Company entered into an agreement to sell a land parcel (included within property under development) located in Bengaluru for a cash consideration of ₹ 140.00.

7 During the quarter ended 30 June 2016, the Company had entered into an agreement to transfer an investment property to its subsidiaries for a total consideration of ₹ 403. During the current quarter ended 31 March 2017, the Company has also sold its investment in the aforementioned subsidiaries to a third party for a cash consideration of ₹ 72 and consequently the net gain which represents sale of the investment property have been included within 'other operating revenue'.

8 During the quarter ended 30 September 2016, the Company was subjected to proceedings under section 132 of the Income Tax Act, 1961. The Company has made necessary submissions as required under section 132 of the Income Tax Act. The Company did not record additional tax charge since the management is of the view that the final outcome of the disputes should be in favour of the Company and/or the disallowances are mainly on account of temporary differences pending final assessment, no adjustments have been recorded in the financial results for the quarter ended 30 September 2016

9 Until quarter ended 31 December 2016, the Company was recording the lease expenses in respect of an operating lease of an aircraft based on actual consumption/ usage of hours committed under the take or pay lease agreement. During the quarter ended 31 March 2017, the lease expense in respect of the aforesaid take-or-pay agreement have been accounted on a straight-lined basis over the lease term in accordance with the Ind-AS 17. Consequent to above change, the previous period/year comparatives presented in the results have been restated as follows:

Particulars	Quarter ended 31 December 2016	Quarter ended 31 March 2016	Year ended 31 March 2016
Rent expense	3.82	3.48	13.62
Tax expense	(1.32)	(1.20)	(4.71)

10 The reconciliation of net profit as previously reported (referred to as 'Previous GAAP') and the total comprehensive income /(loss) as per Ind AS for the quarter and year ended 31 March 2016 is as per table below :

Particulars	Quarter ended 31 Mar 16	Year ended 31 Mar 16
Net profit under Previous GAAP	6.51	77.49
Ind AS adjustments		
Application of Guidance Note on real estate revenue recognition retrospectively	4.18	20.83
Impact of financial assets and liabilities carried at amortized cost	2.00	5.20
Impact of reversal of lease straightlining	0.18	0.78
Reclassification of actuarial loss on employee benefit to other comprehensive income	(0.38)	(0.36)
Change in accounting estimate (refer note 9 above)	(2.28)	(8.91)
Deferred tax impact on above adjustments	(2.12)	(8.92)
Net Profit/ (loss) as per Ind AS	8.09	86.11
Other comprehensive income (OCI) (net of tax)	0.38	0.36
Total comprehensive income /(loss) for the period	8.47	86.47

11 The reconciliation of equity previously reported (referred to as 'Previous GAAP') as per Ind AS as on 31 March 2016 is as per table below :

Particulars	As at 31 Mar 16
Equity reported under previous GAAP as on 31 Mar 2016	1,795.12
Ind AS adjustments	
Application of Guidance Note on real estate revenue recognition retrospectively	(9.99)
Reversal of proposed dividend and tax on proposed dividend	22.26
Impact of financial assets and liabilities carried at amortized cost	6.20
Impact of reversal of lease straightlining	4.69
Reclassification of actuarial loss on employee benefit to other comprehensive income	(0.96)
Other comprehensive income	0.96
Change in accounting estimate (refer note 9 above)	(58.53)
Deferred tax impact on above adjustments	20.39
Total adjustments	(14.98)
Total equity as per Ind AS	1,780.14

12 The figures for the quarter ended 31 March 2017 and corresponding quarter ended 31 March 2016 are the derived balancing figures between audited figures in respect of full financial year ended 31 March 2017 and 31 March 2016 respectively and the unaudited figures in respect of nine months ended 31 December 2016 and 31 December 2015 respectively which were subjected to limited review.

13 Prior period comparatives have been regrouped/reclassified wherever necessary to conform to the presentation in the current period and are compliant with Ind AS.

On behalf of the Board of Directors of
Puravankara Limited (formerly Puravankara Projects Limited)

Nani R. Choksey
Nani R Choksey
Joint Managing Director
DIN 00504555

Bengaluru
29 May 2017

