

Puravankara Projects Limited

Consolidated Financial Statements

For the quarter and half year ended 30 September 2013

Puravankara Projects Limited

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Puravankara Projects Limited

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Consolidated Balance Sheet as at 30 September 2013

(All amounts in ₹ million, unless otherwise stated)	Note	30 Sep 2013	31 Mar 2013
Equity and Liabilities			
Shareholders' Funds			
Share capital	3	1,185.75	1,067.12
Reserves and surplus	4	20,691.27	17,927.95
		21,877.02	18,995.07
Non-Current Liabilities			
Long-term borrowings	5	7,642.81	8,977.93
Other long-term liabilities	7	11.53	10.23
Long-term provisions	8	78.20	60.59
		7,732.54	9,048.75
Current Liabilities			
Short-term borrowings	9	5,297.89	7,256.76
Trade payables	10	1,758.64	1,651.44
Other current liabilities	10	4,903.57	3,412.13
Short-term provisions	8	117.80	335.53
		12,077.90	12,655.86
Total		41,687.46	40,699.68
Assets			
Non-Current Assets			
Fixed assets			
Tangible assets	11	849.29	837.74
Intangible assets	12	40.27	25.65
Capital work-in-progress		0.35	5.51
		889.91	868.90
Non-current investments	13	1,390.81	1,384.76
Properties held for development	14	8,217.03	7,977.06
Deferred tax assets (net)	6	8.54	1.64
Long-term loans and advances	15	2,443.88	2,052.68
Other non-current assets	17	245.51	215.17
		13,195.68	12,500.21
Current Assets			
Current investments	13	-	57.17
Inventories	18		
Raw materials		344.41	389.23
Properties under development		19,639.64	18,765.80
Properties held for sale		1,770.18	2,021.26
		21,754.23	21,176.29
Trade receivables	16	3,272.25	3,073.05
Cash and bank balances	19	1,372.63	2,333.58
Short-term loans and advances	15	1,129.41	747.86
Other current assets	17	963.26	811.52
		28,491.78	28,142.30
Total		41,687.46	40,699.68

Significant accounting policies 1
The notes referred to above form an integral part of the financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

For Walker, Chandio & Co
Chartered Accountants

For and on behalf of the Board of Directors

per **Aasheesh Arjun Singh**
Partner
Bengaluru
30 Oct 2013

Ravi Puravankara
Chairman and Managing Director

Nani R Choksey
Deputy Managing Director

Ashish Puravankara
Joint Managing Director
Bengaluru
30 Oct 2013

Anil Kumar A
Chief Financial Officer

V P Raguram
Company Secretary

Consolidated Statement of Profit and Loss for the quarter ended 30 September 2013

	Note	30 Sep 2013	30 Sep 2012
(All amounts in ₹ million, unless otherwise stated)			
Income			
Revenue from operations			
Revenue from projects	20	2,956.01	2,710.11
Other operating revenues	20	26.86	20.13
Other income		25.42	6.96
Total		3,008.29	2,737.20
Expenses			
Material and contract cost	21	1,555.85	1,549.16
Land cost		28.60	77.38
Decrease/(increase) in inventory of properties under development and properties held for sale	22	(439.22)	(598.06)
Employee benefits expense	23	232.77	178.07
Finance expense, net	24	507.84	544.21
Depreciation and amortization	25	21.22	17.11
Other expenses	26	397.19	298.57
Total		2,304.25	2,066.44
Profit before tax and share of profit / (loss) in associates, net		704.04	670.76
Share of profit / (loss) in associates, net		0.13	56.41
Profit before tax		704.17	727.17
Tax expense			
Current tax	27	246.74	225.23
Deferred tax		(2.81)	0.01
Net profit for the quarter		460.24	501.93
Earnings per share (Nominal value ₹ 5 per share)			
Basic (₹)	28	1.94	2.35
Diluted (₹)		1.94	2.35

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For Walker, Chandio & Co
Chartered Accountants

For and on behalf of the Board of Directors

per **Aasheesh Arjun Singh**
Partner
Bengaluru
30 Oct 2013

Ravi Puravankara
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V P Raguram
Company Secretary

Bengaluru
30 Oct 2013

Consolidated Statement of Profit and Loss for the half year ended 30 September 2013

	Note	30 Sep 2013	30 Sep 2012
(All amounts in ₹ million, unless otherwise stated)			
Income			
Revenue from operations			
Revenue from projects	20	6,623.40	5,173.61
Other operating revenues	20	49.19	30.42
Other income		28.20	12.66
Total		6,700.79	5,216.69
Expenses			
Material and contract cost	21	2,898.98	3,029.51
Land cost		226.84	289.29
Decrease/(increase) in inventory of properties under development and properties held for sale	22	(622.76)	(1,433.43)
Employee benefits expense	23	460.39	348.85
Finance expense, net	24	1,071.80	1,023.52
Depreciation and amortization	25	41.97	33.01
Other expenses	26	902.53	551.05
Total		4,979.75	3,841.80
Profit before tax and share of profit / (loss) in associates, net		1,721.04	1,374.89
Share of profit / (loss) in associates, net		6.05	86.07
Profit before tax		1,727.09	1,460.96
Tax expense			
Current tax	27	606.75	469.76
Deferred tax		(6.90)	(11.21)
Profit after tax and before prior period items		1,127.24	1,002.41
Prior period income (net of tax expense)		14.67	-
Net profit for the period		1,141.91	1,002.41
Earnings per share (Nominal value ₹ 5 per share)			
Basic (₹)	28	4.98	4.70
Diluted (₹)		4.98	4.70

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For Walker, Chandio & Co
Chartered Accountants

For and on behalf of the Board of Directors

per **Aasheesh Arjun Singh**
Partner
Bengaluru
30 Oct 2013

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V P Raguram
Company Secretary

Bengaluru
30 Oct 2013

Notes to the Consolidated Financial Statements

1 Significant accounting policies

a. Basis of preparation

The financial statements have been prepared on accrual basis under the historical cost convention and in accordance with the applicable accounting standards prescribed by Companies (Accounting Standards), Rules 2006, the provisions of the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (to the extent applicable). The accounting policies have been consistently applied unless otherwise stated.

b. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Group to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from those estimates. Significant estimates used by management in the preparation of these financial statements include the percentage completion for projects in progress, estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful debts and accruals for employee benefits.

c. Basis of consolidation

Subsidiaries are all entities over which the Company has the power to control the financial and operating policies. The Company obtains and exercises control through voting rights. The consolidated financial statements of the Group incorporate the financial statements of the Company as well as those entities controlled by the Company. The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealized profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the consolidated entity.

The excess of cost of the parent company of its investment in the subsidiary over its portion of equity in the subsidiary, on the date of investments is recognised in the financial statements as goodwill. The parent portion of equity in such subsidiary is determined on the basis of book values of assets and liabilities as per the financial statement of the subsidiary as on the date of investment. In case the cost of investment in subsidiary companies is less than the proportionate share in equity of the investee company as on the date of investment, the difference is treated as capital reserve and shown under Reserves and Surplus.

Associates are those entities over which the Company is able to exercise significant influence but which are neither subsidiaries nor interests in a joint venture. Investments in associates are initially recognized at cost and subsequently accounted for using the equity method.

Consolidated financial statements are prepared using uniform accounting policies across the Group.

d. Revenue recognition

Revenue from projects

Revenue from the sale of properties is recognized when significant risks and rewards of ownership have been transferred to the customer, which coincides with entering into a legally binding agreement.

Revenue from sale of undivided share of land (UDS) in qualifying projects where the risks and rewards on the sale of the UDS are separable from the risks and rewards on the construction contract is recognized upon the transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with the buyers, which coincides with the firming of the sales contracts/agreements and a minimum level of collection of dues from the customer.

Revenue from the sale of UDS on other projects where the risk and rewards on the sale of the UDS are not separable from the construction contracts and therefore do not qualify above are recognized on the percentage of completion method.

Effective 1 April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance note) all projects commencing on or after the said date or projects where revenue is recognised for the first time on or after the above date, construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

- (a) all critical approvals necessary for the commencement have been obtained;
- (b) the expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) at least 25 per cent. of the saleable project area is secured by agreements with buyers; and
- (d) at least 10 per cent. of the agreements are realised at the reporting date in respect of such contracts.

Contract revenues represent the aggregate amounts of sale price for agreements entered into and are accrued based on the percentage that the actual construction costs incurred until the reporting date bears to the total estimated construction costs to completion. Land costs are not included for the purpose of computing the percentage of completion.

Contract costs include the estimated construction, development, proportionate land cost and other directly attributable costs of the projects under construction. Losses expected to be incurred on projects in progress, are charged to the Statement of Profit and Loss in the period in which these losses are known.

For projects executed through joint development arrangements prior to 1 April 2012, which represent barter transactions, whereby the Company gives up a defined percentage of constructed area in lieu of payment for its share in the land, the Company accounts for such transactions on net basis and does not ascribe any value to the share of land acquired on such basis. Effective 1 April 2012, in accordance with the Guidance Note, developmental rights acquired through joint development arrangement are recorded on a gross basis on the estimated amount to be spent on development or construction of built up area to be surrendered in lieu of the above rights.

The estimates for saleable area and contract costs are reviewed by the management periodically and the cumulative effect of the changes in these estimates, if any, are recognized in the period in which these changes may be reliably measured.

Unbilled revenue disclosed under other assets represents revenue recognized over and above the amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables and is net of any provisions for amounts doubtful of recovery.

Revenue from the sale of land is recognized in the period in which the agreement to sell is entered into. Where there is a remaining substantial obligation under the agreement, revenue is recognized on the fulfilment of such obligation.

Rental income

Income from rentals is recognized on a straight line basis over the primary, non-cancellable, period of the arrangement.

Interior income

Interior income is recognized as and when the services are rendered, at rates agreed upon with customers.

e. Properties under development

Properties under development represents construction work in progress which are stated at the lower of cost and net realizable value. This comprises of cost of land, construction related overhead expenditure and borrowing costs and other net costs incurred during the period of development.

f. Properties held for sale

Completed properties held for sale are stated at the lower of cost and net realizable value. Cost includes cost of land, construction related overhead expenditure and borrowing costs and other costs incurred during the period of development.

g. Properties held for development

Properties held for development represents land acquired for future development and construction, and is stated at cost including the cost of land, the related costs of acquisition, borrowing cost and other costs incurred to get the properties ready for their intended use.

h. Fixed assets

Fixed assets are stated at cost less accumulated depreciation/amortization and impairment losses. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Fixed assets purchased in foreign currency are recorded at the actual rupee cost incurred.

Expenditure directly relating to expansion is capitalized only if it increases the life or functionality of an asset beyond its original standard of performance.

i. Depreciation/amortization

Depreciation/amortization on fixed assets is provided on the straight-line method, using the rates specified in Schedule XIV to the Companies Act, 1956, except in the case of shuttering and scaffolding items where the estimated useful life has been determined as seven years. Assets individually costing less than ₹ 5,000 are fully depreciated in the period of purchase.

j. Borrowing cost

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with Accounting Standard 16 – “Borrowing Costs”. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

k. Advertisement and promotional expenses

Advertisement and promotional costs in respect of projects currently being developed and for general corporate purposes are expensed to the Statement of Profit and Loss as incurred.

l. Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

m. Current investments

Long term investments are stated at cost less provision for permanent diminution in value, if any.

Current investments are valued at lower of cost and fair value determined by category of investment. The fair value is taken as quoted market price adjusted for cost of disposal.

n. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.

o. Inventory

Inventory includes raw materials used for the construction activity of the Company. Raw materials are valued at the lower of cost and net realizable value with the cost being determined on a 'First In First Out' basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs required to make the sale.

p. Foreign currency transactions**(a) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the respective transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on a monetary item that, in substance, form part of Company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized as income or as expenses.

q. Leases**Finance leases**

Assets acquired on lease which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the assets, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term unless other systematic basis is more representative of the time pattern of the benefit.

r. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard 15- "Employee Benefits".

Provident fund

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services.

Gratuity

Gratuity is a post employment benefit and is a defined benefit plan. The liability recognized in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets (if any), together with adjustments for unrecognized past service costs. Independent actuaries use the projected unit credit method to calculate the defined benefit obligation.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the period in which such gains or losses arise.

Vacation pay

Liability in respect of vacation pay becoming due or expected to be availed within one year from the Balance Sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of actuarial valuation in a manner similar to gratuity liability.

Other short-term benefits

Expense in respect of other short-term benefits including performance bonus is recognized on the basis of amount paid or payable for the period during which the employees render services.

s. Tax expense

Tax expense comprises both current and deferred taxes. The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

t. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential equity shares.

u. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2 Group structure

The operational subsidiaries and associates consolidated under the Group as at 30 September 2013 comprise the entities listed below:

Name of the entity	Country of incorporation	Effective shareholding
Overseas subsidiary companies		
Welworth Lanka Holding Private Limited	Sri Lanka	100%
Welworth Lanka Private Limited	Sri Lanka	100%
Purva Corporation	British Virgin Islands	100%
Indian subsidiary companies		
Prudential Housing and Infrastructure Development Limited	India	100%
Centurions Housing and Constructions Private Limited	India	100%
Melmont Construction Private Limited	India	100%
Purva Realities Private Limited	India	100%
Purva Marine Properties Private Limited	India	100%
Nile Developers Private Limited	India	100%
Vaigai Developers Private Limited	India	100%
Starworth Infrastructure and Construction Limited	India	100%
Provident Housing Limited	India	100%
Purva Ruby Properties Private Limited	India	100%
Associate companies		
Keppel Puravankara Development Private Limited	India	49.00%
Propmart Technologies Limited	India	32.83%
Keppel Magus Development Private Limited	India	36.26%
Sobha Puravankara Aviation Private Limited	India	49.75%

There is no change in the effective shareholding of all of the above entities from the previous period.

	30 Sep 2013	31 Mar 2013
3 Share capital		
Authorized shares		
320.00 million (31 March 2013- 320.00 million) equity shares of ₹ 5 each	1,600.00	1,600.00
Issued, subscribed and fully paid up shares		
237.15 million (31 March 2013- 213.42 million) equity shares of ₹ 5 each	1,185.75	1,067.12
	1,185.75	1,067.12

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	30 Sep 2013		31 Mar 2013	
	No. in million	₹ million	No. in million	₹ million
Balance at the beginning of the period/year	213.42	1,067.12	213.42	1,067.12
Issued during the period/year	23.73	118.63	-	-
Outstanding at the end of the period/year	237.15	1,185.75	213.42	1,067.12

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the company

	30 Sep 2013		31 Mar 2013	
	No. in million	% holding in the class	No. in million	% holding in the class
Equity shares of ₹ 5 each fully paid up				
Ravi Puravankara	177.85	74.99%	191.99	89.96%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

The Company has not issued any bonus shares nor has there been any buy back of shares during five years immediately preceding 30 September 2013.

e. Shares reserved for issue under options

On 1 Jul 2006, the members of the Company approved the Puravankara Projects Limited 2006 Employee Stock Option Scheme ('ESOS' or 'the Plan') of the Company. The plan provides for the issuance of stock options to eligible employees (including directors of the Company) with the total options issuable under the Plan not to exceed 1,366,080 options and includes a limit for the maximum and minimum number of options that may be granted to each employee. Under the plan, these options vest over a period of four years and can be exercised for a period of one year from vesting. As on 30 September 2013, there are no options outstanding under the above plan.

	Quarter ended 30 Sep 2013	Half year ended 30 Sep 2013	Year ended 31 Mar 2013
4 Reserves and surplus			
Securities premium reserve			
Balance at the beginning of the period/year	9,637.98	7,988.81	7,988.81
Add: Premium on issue of shares	-	1,803.13	-
Less: Share issue expenses*	-	153.96	-
Balance at the end of the period/year	9,637.98	9,637.98	7,988.81
*In accordance with the directives issued by SEBI, the Company has issued 23.72 million equity shares at a premium of ₹ 76.00 through the Institutional Placement Programme('IPP'). Additionally, the promoter has divested an additional 14.14 million equity shares through an Offer For Sale ('OFS'), to comply with the requirements of promoter share holding not to exceed 75%. The expenditure adjusted against securities premium represents the cost incurred for the above. Management is of the opinion that, there are no cost that are attributable for the OFS.			
Debenture redemption reserve			
Balance at the beginning of the period/year	353.06	198.51	214.12
Less: Written back to the Statement of Profit and Loss during the period/year	360.00	360.00	325.62
Add: Transfer from the Statement of Profit and Loss during the period/year	6.94	161.49	310.01
Balance at the end of the period/year	-	-	198.51
General reserve			
Balance at the beginning of the period/year	611.30	611.30	499.00
Add: Transfer during the period/year	-	-	112.30
Balance at the end of the period/year	611.30	611.30	611.30
Surplus in the Statement of Profit and Loss			
Balance at the beginning of the period/year	9,656.45	9,129.33	7,104.03
Add: Net profit for the period/year	460.24	1,141.91	2,434.35
Add: Debenture redemption reserve written back	360.00	360.00	325.62
Less: Transfer to debenture redemption reserve	6.94	161.49	310.01
Profit available for appropriation	10,469.75	10,469.75	9,553.99
Appropriations			
Less: Dividend			
- Interim	-	-	53.57
- Proposed	-	-	213.42
Less: Tax on distribution of dividend			
- Interim	-	-	9.10
- Proposed	-	-	36.27
Less: Transfer to general reserve	-	-	112.30
Less: Adjustment for dividend due to change in shareholding	27.76	27.76	-
Balance at the end of the period/year	10,441.99	10,441.99	9,129.33
	20,691.27	20,691.27	17,927.95

5 Long-term borrowings

	Non-current		Current	
	30 Sep 2013	31 Mar 2013	30 Sep 2013	31 Mar 2013
Secured				
Debentures				
40 (31 March 2013 - 40) Non-convertible redeemable debentures of ₹ 5 each	-	114.32	-	21.68
Term loans				
From banks	2,830.51	2,945.95	1,356.12	563.44
From others	4,628.19	5,723.31	1,362.65	1,024.09
Unsecured				
Term loans				
From others	184.11	194.35	16.75	15.35
	7,642.81	8,977.93	2,735.52	1,624.56
Amount disclosed under "Other current liabilities" note 10	-	-	(2,735.52)	(1,624.56)
	7,642.81	8,977.93	-	-

Sl.No	Particulars	Nature of security	Repayment details	As at 30 Sep 2013	As at 31 Mar 2013
Debentures					
i.	40 secured redeemable non convertible debentures of ₹ 5 each	Mortgage of a land parcel at Uganvadi Village, Kasaba Hobli, Devanahalli Taluk, proportionate undivided share of land with respect to unsold units of Purva Venezia and Purva Highland project, receivables of sold and unsold units of these projects and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Redeemable in 7 quarterly installments starting from Jul 2013.	-	136.00
				-	136.00
The interest on above debentures are linked to the base rate of a bank which is floating in nature. As on the Balance Sheet date, the interest rate is				16.75%	16.75%
Term Loans from banks (Secured)					
i.	Term loan facility of ₹ 1,300 from ICICI Bank Limited	This facility is secured by pari passu charge by way of equitable mortgage of unsold area admeasuring about 2,024,605 sqft in Welworth City Project together with underlying land, Sunworth Project, hypothecation of receivables of these projects and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 30 monthly installments commencing from 15 Jan 2015.	1,000.00	1,000.00
ii.	Term loan facility of ₹ 1,000 from ICICI Bank Limited	This facility is secured by an exclusive charge by way of equitable mortgage of 87,000 sq.ft land situated at Maduvankari village, Chennai together with all buildings and structures thereon both present and future, undivided share of land of Purva Bluemont Project Phase I (excluding the proportionate share of sold area of 498,072 sq.ft approx) together with all bulidings & structures thereof both present and future and hypothecation of scheduled receivables, Escrow account and DSR account of Purva Bluemont Project Phase I, extension of charge by way of equitable mortgage on undivided share of land of Purva Swanlake Project (excluding the proportionate share of sold area of 550,134 sq.ft approx) together with all buildings & structures thereof both present and future, extension of charge by hypothecation of scheduled receivables, Escrow account and DSR account and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 30 monthly installments commencing from 15 Sep 2013.	911.68	1,000.00
iii.	Term loan facility from ICICI Bank Limited-₹ 1,500	Mortgage of a land (with building and structure thereon both present and future) located at Plot no. D4, Sy. no. 843 Ernakulam, receivables of Purva Season project and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 30 installments starting from Aug 2013.	1,379.38	1,489.70
iv.	Term loan facility from IDBI Bank Limited- ₹ 880	Mortgage of immovable property at Edapally Kochi about 11.15 acres and personal guarantee of Mr Ravi Purvankara Chairman and Managing Director of the Company	Repayable in 8 equal quarterly installments starting from 01 Oct 2013.	880.00	-
v.	Other loans (Vehicle Loans)	Secured by a charge against respective vehicles.	Repayable in 36 to 60 monthly installments.	15.57	19.69
				4,186.63	3,509.39
The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between				8.35% to 15.00%	8.35% to 14.75%
Term loans from others (Secured)					
i.	Term loan facility of ₹ 1,765 from J.P Morgan Advisors India Private Limited	This facility is secured by a first ranking mortgage and charge pari passu with the other Project lenders in the form of an English/registered mortgage (without possession) over Purva Windermere project with all collections & receivables and also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 16 quarterly installments commencing from Mar 2015.	1,765.00	1,765.00
ii.	Term loan facility of ₹ 1,100 from J.P Morgan Securities India Private Limited	This facility is secured by a first ranking mortgage and charge pari passu with the other Project lenders in the form of an English/registered mortgage (without possession) over Purva Windermere project with all collections & receivables and also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 16 quarterly installments commencing from Mar 2015.	1,100.00	1,100.00

Sl.No	Particulars	Nature of security	Repayment details	As at 30 Sep 2013	As at 31 Mar 2013
iii.	Credit facility of ₹ 1,500 from HDFC Limited	This facility is secured by mortgage of land admeasuring 8.41 acres (366,339.6 sqft) located at Ernakulam Village, Kanayannur Taluk, Marine Drive Kochi, mortgage of land admeasuring 04 acres 26 guntas located at Kudlu Village, Sarjapura Hobli, Anekal Taluk Bangalore, extension of mortgage of unsold developer's share of built up area and undivided land of Purva Grandbay, Kochi, extension of mortgage of unsold developer's share of built up area and undivided land of Purva Eternity, Kochi and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 24 monthly installments commencing from Jun 2014.	1,488.51	1,250.00
iv.	Credit Facility of ₹ 1,200 from ICICI Home Finance Company Limited	This facility is secured by pari passu charge by way of equitable Mortgage of unsold area admeasuring about 2,024,605 sqft in Welworth City Project together with underlying land, Sunworth Project, hypothecation of receivables of these projects and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 27 monthly installments commencing from 15 Oct 2013.	923.92	1,000.00
v.	Kotak Mahindra Prime Limited- ₹ 250	Mortgage of land parcel at Chengalpet Taluk, Kancheepuram District, hypothecation of receivables and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 20 monthly installments starting from Dec 2013.	-	250.00
vi.	Karvy Financial Services Limited- ₹ 200	Mortgage of three residential flats at Purva Grande Project, Lavelle Road Bangalore and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 24 monthly installments starting from Feb 2013.	141.10	185.93
vii.	Credit facility of ₹ 230 from Reliance Home Finance Limited	Mortgage of property (Purva Oceana) together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, scheduled receivables of the project and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 18 monthly installments commencing from Feb 2013.	134.72	207.15
viii.	Credit Facility of ₹ 100 from Reliance Home Finance Limited	Mortgage of property (Purva Oceana) together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, scheduled receivables of the project and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 18 monthly installments commencing from Feb 2013.	58.57	90.06
ix.	Sammy's Dream Land Co. Pvt Limited- ₹ 350	Mortgage of land parcel at Edapally, Ernakulam owned by the Company and Melmont Construction Pvt Limited.	Repayable in 2 equal installments in Mar 2014 and Jun 2014 respectively.	350.00	350.00
x.	Sammy's Dream Land Co. Pvt Limited- ₹ 400	Secured by undivided right, title and interest in Purva Bluemont project to the extent of 3,37,427 sqft attributable to Phase II development of the project.	Repayable in 4 monthly equal installments in Mar 2014.	-	400.00
xi.	Reliance Capital Limited- ₹ 284.30	Mortgage of property (Purva Oceana) together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, scheduled receivables of the project and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 15 equated monthly installment starting from Aug 2012.	20.85	140.04
xii.	Vehicle Loan from Kotak Mahindra Prime Limited	Secured by a charge against respective vehicle.	Repayable in 36 to 60 monthly installments.	8.17	9.22
				5,990.84	6,747.40
Term loan from others (Unsecured)					
i.	HDFC Limited- ₹ 220	Mortgage of non residential property, Purva Premier owned by Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 108 equated monthly installments starting from Jul 2012.	200.86	209.70
				200.86	209.70
The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between				9.78% to 18.00%	9.78% to 19.00%

	30 Sep 2013	31 Mar 2013
6 Deferred tax liability/(asset), net		
Deferred tax liability arising on account of depreciation	41.20	36.04
Less: Deferred tax asset arising on account of:		
Expenses allowable on payment basis		
Gratuity	(21.63)	(16.14)
Vacation pay	(2.28)	(2.00)
Bonus	(15.51)	(11.13)
Lease rent	(10.32)	(8.41)
	(8.54)	(1.64)
7 Other long-term liabilities		
Security deposits	11.53	10.23
	11.53	10.23

	Non-current		Current	
	30 Sep 2013	31 Mar 2013	30 Sep 2013	31 Mar 2013
8 Provisions				
Provision for employee benefits				
Gratuity	71.15	54.34	0.40	0.34
Vacation pay	7.05	6.25	0.44	0.48
Provision for tax (net of advance tax)	-	-	116.96	85.02
Other provisions				
Proposed dividend	-	-	-	213.42
Tax on proposed dividend	-	-	-	36.27
	78.20	60.59	117.80	335.53

	30 Sep 2013	31 Mar 2013
9 Short-term borrowings		
Secured		
Debentures*	-	843.60
Term loans from banks*	1,987.58	2,854.68
Term loans from others*	-	300.20
Cash credit and other loan from banks	1,291.61	2,488.08
	3,279.19	6,486.56
Unsecured		
From bank	1,822.81	574.31
Interest free loan from related parties repayable on demand	195.89	195.89
	2,018.70	770.20
	5,297.89	7,256.76

* Classified based on the operating cycle of the Company.

The amount repayable within twelve months:

Debentures	-	134.82
Term loans from banks	704.63	1,706.53
Term loans from others	-	300.20

Sl.No	Particulars	Nature of security	Repayment details	As at 30 Sep 2013	As at 31 Mar 2013
Debentures					
i.	248 secured redeemable non convertible debentures of ₹ 5 each	Mortgage of a land parcel at Uganvadi Village, Kasaba Hobli, Devanahalli Taluk, proportionate undivided share of land with respect to unsold units of Purva Venezia and Purva Highland project, receivables of sold and unsold units of these projects and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Redeemable in 7 quarterly installments starting from Jul 2013.	-	843.60
				-	843.60
The interest on above debentures are linked to the base rate of a bank which is floating in nature. As on the Balance Sheet date, the interest rate is					16.75%
Term Loans from banks (Secured)					
i.	Term loan facility from ICICI Bank Limited-₹ 500	Mortgage of a land (with building and structure thereon both present and future) located at Plot no. D4, Sy. no. 843 Ernakulam, receivables of Purva Season project and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 30 installments starting from Aug 2013.	200.00	100.00
ii.	Credit facility of ₹ 200 from Standard Chartered Bank	This facility is secured by exclusive charge over land & buildings and receivables of Purva Gainz, Purva Primus and Purva Sunflower Projects. First and pari passu charge over unsold units and receivables of Purva Midtown project. All these securities are cross collateralised with each other.	Repayable in the form of bullet repayment at the end of the tenor which is Oct 2015.	189.69	79.00
iii.	Credit facility of ₹ 450 from Standard Chartered Bank	This facility is secured by exclusive charge over land & buildings and receivables of Purva Gainz, Purva Primus and Purva Sunflower Projects. First and pari passu charge over unsold units and receivables of Purva Midtown project. All these securities are cross collateralised with each other.	Repayable in the form of bullet repayment at the end of the tenor which is Oct 2015.	447.04	305.00
iv.	Term loan facility from ICICI Bank Limited-₹ 1,250	Mortgage of a land (with building and structure thereon both present and future) located at Padur, Keelambakkam village, Chennai, equitable mortgage on Plot no. D4, Survey no. 843 Ernakulam (together with all buildings and structure thereon, present and future), receivables of Purva Season project and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 24 installments starting from Aug 2013.	1,150.85	980.68
v.	Term loan facility from Standard Chartered Bank-₹ 2,000	As on 31 Mar 13, this facility was secured by exclusive charge on 5 acres, land at Coimbatore, land & buildings and receivables of Midtown project, Cosmo City project, Skywood project and Company's share in Harmony project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 18 monthly installments commencing from Sep 2012.	-	1,270.00
vi.	Term loan facility from Standard Chartered Bank-₹ 350	As on 31 Mar 13, this facility was secured by exclusive charge on 5 acres, land at Coimbatore, land & buildings and receivables of Midtown project, Cosmo City project, Skywood project and Company's share in Harmony project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 4 quarterly installments starting from Sep 2012.	-	120.00
				1,987.58	2,854.68
The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between				13.65% to 15.00%	13.50% to 14.75%
Term Loans from others (Secured)					
i.	Kotak Mahindra Prime Limited-₹ 250	Mortgage of land at Chengalpet Taluk, Kancheepuram District, hypothecation of receivables and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 27 monthly installments commencing from Sep 2011.	-	75.20
ii.	HDFC Limited-₹ 340	Mortgages of land at Ernakulam Marine Drive with building constructed thereupon, present and future receivables of sold and unsold units and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 21 monthly installments starting from Nov 2011.	-	125.00

SI.No	Particulars	Nature of security	Repayment details	As at 30 Sep 2013	As at 31 Mar 2013
iii.	HDFC Limited- ₹ 350	Mortgages of land at Kakanad, Kochi with building constructed thereupon, present and future receivable of sold and unsold units and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 21 monthly installments starting from Oct 2011.	-	100.00
				-	300.20
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			-	14.75% to 18.75%
Cash credit and other loan from banks (Secured)					
i.	Cash credit facility of ₹ 1,180 from Andhra bank	Secured against the properties of the Company and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director, and Mr. Ashish Puravankara, Joint Managing Director of the Company.		1,168.90	1,238.46
ii.	Working capital facility of ₹ 1,100 from IDBI bank	Secured against the properties of the Company and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.		-	985.77
iii.	Overdraft facility of ₹ 800 from Andhra bank	Secured against the land together with the buildings and structure thereon at Geddalahalli, Bangalore and is also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director, and Mr. Ashish Puravankara, Joint Managing Director of the Company.		122.71	263.85
				1,291.61	2,488.08
From banks (Unsecured)					
i.	Working Capital facility of ₹ 650 from Deutsche Bank	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.		297.81	403.31
ii.	Short Term Loan of ₹ 1,570 from Barclays PLC	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.		1,525.00	171.00
				1,822.81	574.31
	The interest on above loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			9.50% to 15.50%	9.63% to 15.75%

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30 Sep 2013 31 Mar 2013

10 Trade payables

Trade payables	1,756.01	1,649.18
Due to related parties	2.63	2.26
	1,758.64	1,651.44

Other current liabilities

Current maturities of long term borrowings (note 5)	2,735.52	1,624.56
Advances received from customers	1,760.47	1,335.15
Interest accrued but not due on borrowings	53.14	88.48
Duties and taxes payable	90.26	90.48
Other payables	222.68	210.30
Interim dividend payable	-	53.57
Tax payable on dividend	40.30	9.10
Unpaid dividend	1.20	0.49
	4,903.57	3,412.13
	6,662.21	5,063.57

11 Tangible assets

	Land *	Buildings	Plant and machinery	Office equipments	Computers	Furniture and fixtures	Vehicles	Shuttering material	Leasehold improvements	Total
Cost										
At 01 April 2012	71.65	136.52	273.57	29.18	35.73	33.34	95.03	280.37	84.71	1,040.10
Additions	-	35.21	19.84	14.29	32.14	17.09	19.59	25.94	52.15	216.25
Disposals	-	-	-	(0.54)	(0.81)	(1.90)	(10.66)	-	-	(13.91)
At 31 Mar 2013	71.65	171.73	293.41	42.93	67.06	48.53	103.96	306.31	136.86	1,242.44
Additions	-	-	9.06	2.27	6.71	4.85	-	17.39	9.59	49.87
Disposals	-	-	(0.04)	(0.18)	(0.22)	(0.17)	(1.81)	-	-	(2.42)
At 30Sep 2013	71.65	171.73	302.43	45.02	73.55	53.21	102.15	323.70	146.45	1,289.89
Depreciation										
At 01 April 2012	-	4.52	93.83	4.87	17.55	7.70	41.20	178.40	1.60	349.67
Charge for the year	-	2.37	11.69	1.72	7.06	3.33	8.25	24.04	6.88	65.34
Disposals	-	-	-	(0.01)	(0.78)	(0.92)	(8.60)	-	-	(10.31)
At 31 Mar 2013	-	6.89	105.52	6.58	23.83	10.11	40.85	202.44	8.48	404.70
Charge for the period	-	1.33	6.22	1.23	4.82	1.84	4.53	13.10	4.79	37.86
Disposals	-	-	(0.03)	(0.08)	(0.19)	(0.10)	(1.56)	-	-	(1.96)
At 30Sep 2013	-	8.22	111.71	7.73	28.46	11.85	43.82	215.54	13.27	440.60
Net block										
At 31 Mar 2013	71.65	164.84	187.89	36.35	43.23	38.42	63.11	103.87	128.38	837.74
At 30Sep 2013	71.65	163.51	190.72	37.29	45.09	41.36	58.33	108.16	133.18	849.29

* Represents the undivided share of land in a jointly developed commercial property

12 Intangible assets

	Computer software	Total
Cost		
At 01 April 2012	32.43	32.43
Additions	14.79	14.79
Disposals	-	-
At 31 Mar 2013	47.22	47.22
Additions	18.73	18.73
Disposals	-	-
At 30Sep 2013	65.95	65.95
Amortization		
At 01 April 2012	16.63	16.63
Charge for the year	4.94	4.94
Disposals	-	-
At 31 Mar 2013	21.57	21.57
Charge for the quarter	4.11	4.11
Disposals	-	-
At 30Sep 2013	25.68	25.68
Net block		
At 31 Mar 2013	25.65	25.65
At 30Sep 2013	40.27	40.27

30 Sep 2013 31 Mar 2013

13 Investments

Non-current investments

Trade investments (valued at cost unless stated otherwise)

Unquoted equity instruments

Investment in associates (fully paid up)

Propmart Technologies Limited	-	-
2.34 million equity shares (31 Mar 2013- 2.34 million) of ₹ 10 each		
Keppel Puravankara Development Private Limited - equity shares	999.18	988.33
4.41 million equity shares (31 Mar 2013- 4.41 million) of ₹ 10 each at par		
Keppel Magus Development Private Limited	215.23	220.03
0.36 million equity shares (31 Mar 2013- 0.36 million) of ₹ 610 each		
Sobha Puravankara Aviation Private Limited	-	-
0.99 million equity shares (31 Mar 2013- 0.99 million) of ₹ 10 each		

Preference shares

Investment in associates (fully paid up)

Keppel Puravankara Development Private Limited - preference shares	176.40	176.40
17.64 million 13.25% cumulative, redeemable, convertible preference shares (31 Mar 2013- 17.64 million) of ₹ 10 each at par		

1,390.81 1,384.76

Current investments - at the lower of cost and fair value

Non-trade (unquoted)

In units of liquid mutual funds of Birla Sun Life Savings Fund Scheme	-	57.17
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- 57.17

1,390.81 1,441.93

	Non-current		Current	
	30 Sep 2013	31 Mar 2013	30 Sep 2013	31 Mar 2013

14 Properties held for development

At the beginning of the period/year	7,977.06	8,281.44	-	-
Add : Additions during the period/year	239.97	66.20	-	-
Add: Transferred from properties under development	-	76.08	-	-
Less: Transferred to properties under development	-	446.66	-	-
	8,217.03	7,977.06	-	-

15 Loans and advances

Security deposits

Unsecured, considered good	1,241.25	938.85	1.00	-
	1,241.25	938.85	1.00	-

Loans and advances to related parties

(Unsecured, considered good)

Loans to associates *	321.79	304.44	31.90	31.08
	321.79	304.44	31.90	31.08

Other loans and advances

(Unsecured, considered good)

Advances to suppliers *	-	-	935.72	446.04
Advances for land contracts *	663.16	634.53	-	-
Advance income tax (net of provision for taxation)	72.85	59.53	-	-
Prepaid expenses *	9.08	0.92	47.24	102.83
Taxes and duties recoverable	95.00	70.79	56.52	98.51
Other advances *	40.75	43.62	57.03	69.40
	880.84	809.39	1,096.51	716.78

Total loans and advances

2,443.88 2,052.68 1,129.41 747.86

* Advances recoverable in cash or kind or for value to be received.

	Non-current		Current	
	30 Sep 2013	31 Mar 2013	30 Sep 2013	31 Mar 2013
16 Trade receivables				
(Unsecured, considered good)				
Outstanding for a period exceeding six months	-	-	619.78	652.18
Other receivables	-	-	2,652.47	2,420.87
	<u>-</u>	<u>-</u>	<u>3,272.25</u>	<u>3,073.05</u>
17 Other assets				
Non-current bank balances (Note 19)	239.48	204.07	-	-
Unbilled revenue	-	-	959.93	809.07
Interest accrued but not due on fixed deposits	6.03	11.10	3.33	2.45
	<u>245.51</u>	<u>215.17</u>	<u>963.26</u>	<u>811.52</u>
18 Inventories				
Raw materials			344.41	389.23
			<u>344.41</u>	<u>389.23</u>
Properties under development				
Land cost			7,880.73	8,320.51
Material and construction cost			11,758.91	10,445.29
			<u>19,639.64</u>	<u>18,765.80</u>
Properties held for sale				
At the beginning of the period/year			2,021.26	543.24
Add : Additions during the period/year			233.70	2,591.75
Less: Sales during the period/year			449.09	1,113.73
Less: Write downs during the period/year			35.69	-
			<u>1,770.18</u>	<u>2,021.26</u>
			<u>21,754.23</u>	<u>21,176.29</u>
19 Cash and bank balances				
Cash and cash equivalents				
Cash on hand			3.28	4.18
Balances with banks:				
On current accounts			877.32	1,981.59
Cheques in hand			-	9.60
Deposits with original maturity of less than three months			413.70	280.00
			<u>1,294.30</u>	<u>2,275.37</u>
Other bank balances				
Deposits with maturity for more than 12 months *	239.48	204.07	-	-
Deposits with maturity for less than 12 months *	-	-	77.03	57.62
Margin money deposit	-	-	0.10	0.10
Unpaid dividend account	-	-	1.20	0.49
	<u>239.48</u>	<u>204.07</u>	<u>78.33</u>	<u>58.21</u>
Amount disclosed under non-current assets (Note 17)	(239.48)	(204.07)	-	-
	<u>-</u>	<u>-</u>	<u>1,372.63</u>	<u>2,333.58</u>

* Represents amounts restricted for use

	Quarter ended		Half year ended	
	30 Sep 2013	30 Sep 2012	30 Sep 2013	30 Sep 2012
20 Revenue from operations				
Revenue from projects				
Sale of properties	2,949.48	2,697.06	6,601.61	5,143.32
Interior	6.53	13.05	21.79	30.29
	2,956.01	2,710.11	6,623.40	5,173.61
Other operating revenue				
Rental income	3.67	1.52	7.33	3.17
Scrap sales	0.39	2.37	1.56	3.20
Others	22.80	16.24	40.30	24.05
	26.86	20.13	49.19	30.42
21 Material and contract cost				
Inventory of building material at the beginning of the period	381.71	392.81	389.23	315.93
Add : Incurred during the period				
Material and contract costs	1,518.55	1,526.82	2,854.16	3,084.05
Less : Inventory of building material at the end of the period	344.41	370.47	344.41	370.47
	1,555.85	1,549.16	2,898.98	3,029.51
22 Decrease / (increase) in inventory of properties under development and properties held for sale				
Inventory at the beginning of the period				
Properties under development *	19,305.12	16,624.15	18,765.80	16,383.99
Properties held for sale	1,665.48	1,138.46	2,021.26	543.24
Inventory at the end of the period				
Properties under development	19,639.64	15,916.29	19,639.64	15,916.28
Properties held for sale	1,770.18	2,444.38	1,770.18	2,444.38
	(439.22)	(598.06)	(622.76)	(1,433.43)
* Excluding the transfer of property to properties held for development				
23 Employee benefits expense				
Salaries, wages and bonus	216.23	163.55	419.82	312.98
Contribution to provident fund and other funds	6.94	7.27	13.72	12.77
Gratuity expenses	3.94	3.01	16.87	15.85
Staff welfare	5.66	4.24	9.98	7.25
	232.77	178.07	460.39	348.85
24 Finance expense, net *				
Finance expense:				
Interest				
- Term loans	481.20	278.03	984.18	527.72
- Cash credits	53.26	104.40	109.15	218.17
- Debentures	5.80	120.64	41.63	245.41
Discount on issue of debentures	-	2.19	-	4.38
Loan and other processing charges	4.30	53.49	2.41	2.80
Bank charges	0.40	2.18	9.90	57.38
Others	6.70	0.90	9.33	1.18
	551.66	561.83	1,156.60	1,057.04
Finance income:				
Bank deposits	16.66	2.59	31.87	4.15
Interest on loan to associates	7.06	7.23	14.58	14.29
Interest received from customers	19.72	6.94	35.25	14.01
Income from units of mutual funds	0.38	0.86	3.10	1.07
	43.82	17.62	84.80	33.52
Finance expenses, net	507.84	544.21	1,071.80	1,023.52

* Includes finance expense capitalized and included in properties under development ₹ 305.41 and ₹ 649 for the quarter and half year ended 30 September 2013 respectively and ₹ 336.42 and ₹ 638.59 for quarter and half year ended 30 September 2012 respectively.

	Quarter ended		Half year ended	
	30 Sep 2013	30 Sep 2012	30 Sep 2013	30 Sep 2012
25 Depreciation and amortization				
Depreciation of tangible assets	18.99	15.98	37.86	30.78
Amortization of intangible assets	2.23	1.13	4.11	2.23
	21.22	17.11	41.97	33.01
26 Other expenses				
Travel and conveyance	15.13	9.56	34.88	18.31
Repairs and maintenance- Buildings	0.20	1.41	3.37	2.66
Repairs and maintenance- Plant & Machinery	1.45	3.16	5.99	6.27
Repairs and maintenance- Others	34.77	31.52	64.01	47.42
Legal and professional charges	74.54	44.97	139.78	87.46
Rent	30.10	26.78	61.68	49.93
Rates and taxes	8.77	43.39	74.59	78.30
Security charges	23.27	19.96	44.11	40.15
Communication costs	6.64	3.24	11.53	7.06
Printing and stationery	12.21	5.30	15.23	8.06
Advertising and sales promotion	148.89	84.30	370.85	166.74
Brokerage and referral charges	21.71	6.33	37.05	9.82
Foreign exchange loss/(gain)	(0.30)	1.06	(0.37)	0.97
Miscellaneous expenses	19.81	17.59	39.83	27.90
	397.19	298.57	902.53	551.05
27 Current tax				
Domestic tax	246.74	225.23	606.75	469.76
	246.74	225.23	606.75	469.76

The Company has claimed a tax deduction of ₹ 679.63 until 30 September 2013 (31 March 2013 ₹ 679.63) under Section 80-IB of the Income - tax Act, 1961 resulting in tax benefit of ₹ 229.57 (31 March 2013 ₹ 229.57) in certain projects which were due for completion by 31 March 2011 and 2012. Management has applied for the completion certificates with the local authorities and the same are currently pending. However, based on the architect's certificate obtained in lieu of the completion certificate, management believes that the deduction under the said section would be allowed and these financial statements do not include any adjustments for the same.

28 Earnings per share (EPS)

Weighted average number of shares outstanding during the period (million)	237.15	213.42	229.24	213.42
Add: Dilutive effect of stock options (Number in million)	-	-	-	-
Weighted average number of shares used to compute diluted EPS (million)	237.15	213.42	229.24	213.42
Net profit after tax attributable to equity shareholders	460.24	501.93	1,141.91	1,002.41
Earnings per share (₹) :				
Basic	1.94	2.35	4.98	4.70
Diluted	1.94	2.35	4.98	4.70
Nominal value - Rupees per equity share	5.00	5.00	5.00	5.00

29 Leases

The lease expense for cancellable and non-cancellable operating leases was ₹ 30.10 and ₹ 61.68 for the quarter and half year ended 30 September 2013 respectively and ₹ 26.78 and ₹ 49.93 for the quarter and half year ended 30 September 2012 respectively. Lease commitments under the non-cancellable operating leases as at the Balance Sheet date were as follows:-

Particulars	30 Sep 2013	31 Mar 2013
a) Within one year	147.80	193.65
b) One to five years	701.19	671.69
c) More than five years	401.90	251.56
Total	<u>1,250.89</u>	<u>1,116.90</u>

Sublease

The Company has sub let one of the properties under a non cancellable operating lease agreement. Lease income was ₹ 3.67 and ₹ 7.33 for the quarter and half year ended 30 September 2013 respectively and ₹ 1.52 and ₹ 3.17 for the quarter and half year ended 30 September 2012 respectively.

30 Other commitments and contingencies

	30 Sep 2013	31 Mar 2013
a) Demand from Service Tax Department	70.01	68.08
b) Demand from Commercial Tax Department	22.64	23.26
c) Deduction under Section 80-IB of the Income - tax Act, 1961	140.67	140.67
d) Company's share of contractual commitments to an associate including future period	444.19	546.87
e) Company's share in claims not acknowledged as debts of an associate	<u>37.16</u>	<u>46.94</u>

The Company has claimed deduction under Section 80-IB of the Income - tax Act, 1961 on two projects based out at Cochin. The time limit specified by the cited section above for completing the two projects was 31 March 2011. However, the Company was not able to complete the same within the prescribed time limit primarily on account of a court stay in one of the projects and the poor state of reclamation of the land in the other. Based on a legal opinion obtained on the above, the management believes that the deduction under the cited section above will not be denied and these financial statements do not include any adjustments on account of the same.

The Company has also received an order from ITAT directing the Assessing officer to carryout the denovo assessment of income for A.Y 2004-05-2009-10 reconsidering the claim under Section 80-IB for a project of the Company. The Assessing Officer has appealed to the high court against ITAT order for specific direction. Additionally, the Company has also received a demand for A.Y 2010-11 and 2011-12 on the aforementioned issue. Management believes that the above will not have any impact on these financial statements.

The Company is also involved in certain litigation for lands acquired by it for construction purposes, either through a Joint Development Agreement or through outright purchases. These cases are pending with the Civil Courts and scheduled for hearings shortly. After considering the circumstances and legal advice received, management believes that these cases will not adversely effect its financial statements. Further the company has given certain advances for purchase of land under agreements executed wherein it is required to make further payments based on terms/milestones subject to fulfilment of certain conditions by other party.

31 Related party transactions**(i) Parties where control exists**

Mr. Ravi Puravankara

(ii) Key management personnel

Mr. Ravi Puravankara

(iii) Relatives of key management personnel:

Ms. Geeta S Vhatkar

Mr. Ashish Puravankara

(iv) Entities controlled by key management personnel (other related parties):

Purva Developments

Puravankara Investments

Handiman Services Limited

Dealwel – Proprietorship

Tanya Trust

Amanda Trust

Purva Properties and Resorts Private Limited

Dealwel Estates Private Limited

(v) Associate companies

Keppel Puravankara Development Private Limited

Propmart Technologies Limited

Keppel Magus Development Private Limited

Sobha Puravankara Aviation Private Limited

(vi) The transactions with related parties for the quarter are as follows:

Nature of transaction	Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	30 Sep 2013	30 Sep 2012	30 Sep 2013	30 Sep 2012	30 Sep 2013	30 Sep 2012	30 Sep 2013	30 Sep 2012
Interest income on loans								
Keppel Puravankara Development Private Limited	0.12	0.66	-	-	-	-	-	-
Keppel Magus Development Private Limited	2.18	2.29	-	-	-	-	-	-
Propmart Technologies Limited	4.75	4.28	-	-	-	-	-	-
Loans given to								
Propmart Technologies Limited	0.54	6.82	-	-	-	-	-	-
Loans repaid by								
Keppel Magus Development Private Limited	0.22	-	-	-	-	-	-	-
Loans repaid to								
Ravi Puravankara	-	-	-	1.14	-	-	-	-
Puravankara Investments	-	-	-	-	-	-	-	0.19
Advance paid to								
Sobha Puravankara Aviation Private Limited	20.26	-	-	-	-	-	-	-
Security and maintenance expenses								
Handiman Services Limited	-	-	-	-	-	-	26.86	20.05
Rental expenses								
Puravankara Investments	-	-	-	-	-	-	9.52	7.42
Sobha Puravankara Aviation Private Limited	3.57	6.06	-	-	-	-	-	-
Brokerage expenses								
Propmart Technologies Limited	0.24	-	-	-	-	-	-	-
Travel expenses								
Sobha Puravankara Aviation Private Limited	0.26	-	-	-	-	-	-	-
Remuneration								
Ravi Puravankara	-	-	6.01	5.26	-	-	-	-
Ashish Puravankara	-	-	-	-	3.29	2.91	-	-

(vii) Balances with related parties at the period end are as follows:

Nature of transaction	Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	30 Sep 2013	31 Mar 2013	30 Sep 2013	31 Mar 2013	30 Sep 2013	31 Mar 2013	30 Sep 2013	31 Mar 2013
Loans given to								
Propmart Technologies Limited	219.67	206.22	-	-	-	-	-	-
Keppel Puravankara Development Private Limited	31.90	31.08	-	-	-	-	-	-
Keppel Magus Development Private Limited	102.12	98.22	-	-	-	-	-	-
Dealwel Estates Private Limited	-	-	-	-	-	-	0.03	0.03
Deposits made in associates								
Sobha Puravankara Aviation Private Limited	64.76	65.78	-	-	-	-	-	-
Advance for land contracts paid to								
Geeta S Vhatkar	-	-	-	-	179.30	179.30	-	-
Advance								
Sobha Puravankara Aviation Private Limited	110.97	40.11	-	-	-	-	-	-
Security Deposits paid to								
Dealwel	-	-	-	-	-	-	1.50	1.50
Puravankara Investments	-	-	-	-	-	-	4.50	4.50
Guarantees given by								
Ravi Puravankara	-	-	14,469.87	16,500.83	-	-	-	-
Ashish Puravankara	-	-	-	-	6,283.43	9,262.18	-	-
Dues from								
Tanya Trust	-	-	-	-	-	-	-	8.39
Amanda Trust	-	-	-	-	-	-	-	8.62
Dues to								
Handiman Services Limited	-	-	-	-	-	-	2.34	2.55
Puravankara Investments	-	-	-	-	-	-	18.81	18.81
Purva Development	-	-	-	-	-	-	1.79	1.79
Purva Properties and Resorts Private Limited	-	-	-	-	-	-	0.02	0.02
Ravi Puravankara	-	-	175.29	175.29	-	-	-	-

(viii) The transactions with related parties for the half year are as follows:

Nature of Transaction	Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12
Interest on loans								
Keppel Puravankara Development Private Limited	0.82	1.30	-	-	-	-	-	-
Keppel Magus Development Private Limited	4.34	4.62	-	-	-	-	-	-
Propmart Technologies Limited	9.41	8.37	-	-	-	-	-	-
Loans given to								
Propmart Technologies Limited	5.04	12.07	-	-	-	-	-	-
Loans repaid by								
Ravi Puravankara	-	-	-	1.14	-	-	-	-
Keppel Magus Development Private Limited	0.44	-	-	-	-	-	-	-
Propmart Technologies Limited	0.47	-	-	-	-	-	-	-
Loans repaid to								
Puravankara Investments	-	-	-	-	-	-	-	0.19
Advance paid to								
Sobha Puravankara Aviation Private Limited	98.04	4.95	-	-	-	-	-	-
Deposits made								
Sobha Puravankara Aviation Private Limited	-	14.58	-	-	-	-	-	-
Security and maintenance expenses								
Handiman Services Limited	-	-	-	-	-	-	44.76	36.68
Rental expenses								
Sobha Puravankara Aviation Private Limited	19.31	8.97	-	-	-	-	-	-
Puravankara Investments	-	-	-	-	-	-	19.04	14.83
Brokerage expenses								
Propmart Technologies Limited	0.41	-	-	-	-	-	-	-
Travel expenses								
Sobha Puravankara Aviation Private Limited	5.06	-	-	-	-	-	-	-
Remuneration								
Ravi Puravankara	-	-	12.02	10.52	-	-	-	-
Ashish Puravankara	-	-	-	-	6.58	5.83	-	-

32 Employee benefits**A. Defined benefit plan**

The Company has gratuity and vacation pay as defined benefit retirement plans for its employees. As at 30 September 2013 and 31 March 2013 the plan assets were invested in insurer managed funds.

Disclosures as required by AS 15 for the quarter ended 30 September 2013 are as under:

	30 Sep 2013		31 Mar 2013	
	Gratuity	Vacation pay	Gratuity	Vacation pay
1 The amounts recognized in the Balance Sheet are as follows:				
Present value of the obligation as at the end of the period/year	93.82	7.49	77.93	6.73
Fair value of plan assets as at the end of the period/year	(22.27)	-	(23.25)	-
Net liability/(asset) recognized in the Balance Sheet	71.55	7.49	54.68	6.73
2 Changes in the present value of defined benefit obligation				
Defined benefit obligation as at beginning of the period/year	77.93	6.73	59.59	28.69
Service cost	8.62	5.44	19.04	6.98
Interest cost	3.36	0.28	4.66	0.45
Actuarial losses/(gains)	5.36	(4.42)	0.89	15.99
Benefits paid	(1.45)	(0.44)	(6.25)	(44.72)
Curtailed losses/(gains)	-	(0.10)	-	(0.66)
Defined benefit obligation as at the end of the period/year	93.82	7.49	77.93	6.73
3 Changes in the fair value of plan assets				
Fair value as at the beginning of the period/year	23.25	-	26.82	-
Expected return on plan assets	(0.03)	-	2.40	-
Actuarial (loss)/gains	0.50	-	0.28	-
Contributions	-	0.44	-	44.72
Benefits paid	(1.45)	(0.44)	(6.25)	(44.72)
Fair value as at the end of the period/year	22.27	-	23.25	-
Non-current	71.15	7.05	54.34	6.25
Current	0.40	0.44	0.34	0.48
Assumptions used in the above valuations are as under:				
Interest rate	8.70%	8.70%	8.25%	8.25%
Discount rate	8.70%	8.70%	8.25%	8.25%
Expected return on plan assets	8.70%	0.00%	8.00%	0.00%
Future salary increase	6.00%	6.00%	6.00%	6.00%
Attrition rate	2.00%	2.00%	2.00%	2.00%
Retirement age	60 years	60 years	60 years	60 years

4 Net gratuity and vacation pay cost for the quarter ended 30 June 2013 and 30 June 2012 comprises of following components.

	30 Sep 2013		30 Sep 2012	
	Gratuity	Vacation pay	Gratuity	Vacation pay
Service cost	8.62	5.44	13.51	4.59
Interest cost	3.36	0.28	2.45	0.60
Actuarial losses/(gains)	4.86	(4.42)	0.88	(0.18)
Expected return on plan assets	0.03	-	(0.99)	-
Net cost	16.87	1.20	15.85	5.01

B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952. This is a defined contribution plan as per AS 15. Contribution made was ₹ 6.03 and ₹ 12.33 for the quarter and half year ended 30 September 2013 respectively and ₹ 6.71 and ₹ 12.01 for the quarter and half year ended 30 September 2012 respectively.

33 Segmental information

The Group is engaged in the development and construction of residential and commercial properties which is considered to be the only reportable business segment as per Accounting Standard 17 on Segment Reporting. The Group operates primarily in India and there is no other significant geographical segment.

34 Transfer pricing

The Finance Act, 2012 has made the detailed Transfer Pricing regulations applicable to 'specific domestic transactions'. Accordingly, the income and/or expenditure arising from such 'specific domestic transactions' have to be computed having regard to the arm's length price. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant within the due date of filing the return of income.

The company has undertaken necessary steps to comply with the Transfer Pricing regulations and the prescribed report from the Accountant will be obtained for the year ending 31 March 2014. The management is of the opinion that the above referred transactions are at arm's length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

35 Prior period comparatives

Prior period comparatives have been regrouped/reclassified wherever necessary to conform to the presentation in the current period.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For Walker, Chandio & Co
Chartered Accountants

For and on behalf of the Board of Directors

per **Aasheesh Arjun Singh**
Partner

Bengaluru
30 Oct 2013

Ravi Puravankara
Chairman and Managing Director

Nani R Choksey
Deputy Managing Director

Ashish Puravankara
Joint Managing Director

Anil Kumar A
Chief Financial Officer

V P Raguram
Company Secretary

Bengaluru
30 Oct 2013

Puravankara Projects Limited
Consolidated Cash Flow Statement

27

	Half year ended 30 Sep 2013	Year ended 31 Mar 2013
A. Cash flow from operating activities		
Profit before tax and prior period items	1,727.09	3,558.36
Adjustments for:		
Depreciation and amortization	41.97	70.28
(Profit)/loss on sale of fixed assets	0.33	1.39
Finance expenses, net	1,071.80	2,317.91
Prior period income	21.48	-
Share of (profit)/loss in associates	(6.05)	(152.20)
Operating profit before working capital changes	2,856.62	5,795.74
Movements in working capital :		
(Increase)/Decrease in trade receivables	(199.20)	(1,153.26)
(Increase)/Decrease in inventories of raw materials	44.82	(73.30)
(Increase)/Decrease in loans and advances & other current assets	(645.29)	(395.24)
(Increase)/Decrease in properties under development	(652.81)	(1,319.35)
(Increase)/Decrease in properties held for sale	251.08	(1,478.02)
Increase/(Decrease) in current liabilities and provisions	377.20	(79.42)
Cash (used in)/received from operations	2,032.42	1,297.15
Direct taxes paid	(493.28)	(898.06)
Net cash from/(used in) operating activities	1,539.14	399.09
B. Cash flows from investing activities		
Purchase of fixed assets	(63.44)	(216.40)
Proceeds from sale of fixed assets	0.13	2.22
Loans to associates	(4.94)	(21.73)
Loans repaid by associates	0.91	5.73
Purchase of units of liquid mutual funds	(716.46)	(534.28)
Proceeds from sale of units of liquid mutual funds	773.63	477.11
Properties held for development	(207.97)	(66.20)
Deposits and advances	(398.63)	(55.12)
Net investment in bank deposits and margin monies	(55.53)	(161.28)
Interest received	74.85	51.59
Net cash from/(used in) investing activities	(597.45)	(518.36)
C. Cash flows from financing activities		
Proceeds from term loans	1,732.73	10,727.37
Repayment of term loans	(2,979.34)	(4,211.64)
Proceeds from share capital (including premium)	1,921.76	-
Share capital issue expenses	(153.96)	-
Repayment of debentures	(979.60)	(1,960.40)
Proceeds from/(repayments of) unsecured loan	(8.84)	209.70
Proceeds from/(repayments of) cash credit and working capital loan	52.04	(396.46)
Dividends paid including taxes	(299.11)	(248.04)
Finance charges paid	(1,208.44)	(2,423.70)
Net cash generated from/(used in) financing activities	(1,922.76)	1,696.83
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(981.07)	1,577.56
Cash and cash equivalents at the beginning of the period/year	2,275.37	697.81
Cash and cash equivalents at the end of the period/year	1,294.30	2,275.37
Components of cash and cash equivalents		
Cash and bank balances (as per Note 19 to the financial statements)	1,372.63	2,333.58
Less: Bank deposits and margin monies considered separately	78.33	58.21
	1,294.30	2,275.37

This is the Consolidated Cash Flow Statement referred to in our report of even date

For Walker, Chandio & Co **For and on behalf of the Board of Directors**
Chartered Accountants

per **Aasheesh Arjun Singh**
Partner
Bengaluru
30 Oct 2013

Ravi Puravankara
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