

**Puravankara Limited – Standalone
Statutory audit for the year ended March 31, 2019**

INDEPENDENT AUDITOR'S REPORT

To the Members of Puravankara Limited

Report on the Audit of the Standalone Ind AS Financial Statements**Opinion**

We have audited the accompanying standalone Ind AS financial statements of Puravankara Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

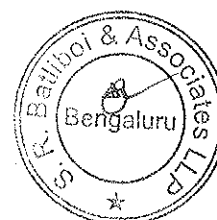
Emphasis of Matter

We draw attention to note 36(c) to the accompanying standalone Ind AS financial statements in connection with the Company and its wholly owned subsidiary being subject to certain ongoing litigations. Pending resolution of the litigations, no provision has been made towards the vendor's claims on the Company and the resulting impact of customer's counter-claims on the subsidiary in the accompanying standalone Ind AS financial statements. Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

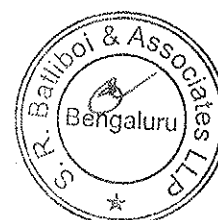
We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

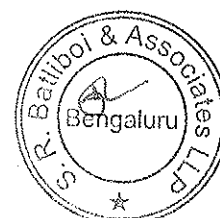
Key audit matters	How our audit addressed the key audit matter
Adoption of Ind AS 115 - Revenue from Contract with Customers and Amendments to Ind AS 40 Investment Property (as described in note 38 of the Standalone Ind AS financial statements)	
<p>The Company has adopted Ind AS 115 - Revenue from Contracts with Customers and Amendments to Ind AS 40 Investment Property consequent to issuance of Ind AS 115, which is mandatory for reporting periods beginning on or after April 1, 2018.</p> <p>The Company has applied the modified retrospective approach to all contracts as at April 01, 2018, and has given impact of Ind AS 115 and Amendments to Ind AS 40 application by debit to retained earnings as at the said date by Rs.390.41 crores (net of tax).</p> <p>The application of Ind AS 115 and Amendments to Ind AS 40 has impacted the Company's accounting for recognition of revenue from real estate projects (other than revenue contract forming part of joint development arrangements) and gain arising from derecognition of investment property, which is now being recognised at a point in time upon the Company satisfying its performance obligation and the customer obtaining control of the underlying asset.</p> <p>For revenue contract forming part of Joint Development Arrangements ('JDA'), the revenue from the development and transfer of constructed area/revenue share with a corresponding land/ development rights received by the Company is measured at the fair value of the estimated construction service rendered by the Company to the land owner under JDA. Such revenue is recognised over a period of time in accordance with the requirements of Ind AS 115.</p> <p>For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. The assessment of such consideration received from customers involves significant judgment in determining if the contracts with customers involves any financing element.</p> <p>Application of Ind AS 115 and Amendments to Ind AS 40, including selection of transition method involves significant judgment in determining when 'control' of the goods or services underlying the performance obligation is transferred to the customer and the transition method to be applied. Further, for revenue contract forming part of joint development arrangements, significant estimate is made by the management in determining the fair value of the underlying revenue.</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none">- We have read the accounting policy for recognition of revenue and derecognition of investment property and assessed compliance of the policy in terms of principles enunciated under Ind AS 115 and Amendments to Ind AS 40.- We obtained and tested the computation of the adjustment to retained earnings as at the Ind AS 115 and Amendment to Ind AS 40 transition date, on sample basis.- We obtained and understood the revenue recognition process and performed test of controls over revenue recognition including determination of point of transfer of control, completion of performance obligation and fair value of estimated construction service under JDA, on a sample basis.- We performed test of details, on a sample basis, and tested the underlying customer/JDA contracts and sale deed/ handover documents, evidencing the transfer of control of the asset to the customer.- We obtained and tested the computation of the fair value of the construction service under JDA, on sample basis.- We tested the computation for recognition of revenue over a period of time for revenue contracts forming part of JDA and management's assessment of stage of completion of projects and project cost estimates on a test check basis.- We assessed the disclosures made by management in compliance with the requirements of Ind AS 115 and Amendments to Ind AS 40.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

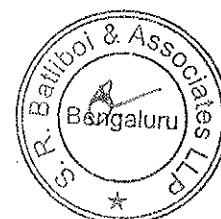
Key audit matters	How our audit addressed the key audit matter
As the revenue recognition involves significant estimates and judgement, we regard this as a key audit matter.	
Recording of related party transactions and disclosures (as described in note 39 of the Standalone Ind AS financial statements)	
<p>The Company has undertaken transactions with its related parties in the ordinary course of business at arm's length. These include making new or additional investments in its subsidiaries, associates and joint ventures and lending and borrowing of loans; and other transactions to or from the related parties.</p> <p>We identified the accuracy and completeness of the said related party transactions and its disclosure as set out in respective notes to the Standalone Ind AS financial statements as a key audit matter due to the significance of transactions with related parties and regulatory compliance thereon.</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none">- Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions on sample basis.- Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length on sample basis.- Tested, on a sample basis, related party transactions with the underlying contracts, confirmation letters and other supporting documents- Agreed the related party information disclosed in the Standalone Ind AS financial statements with the underlying supporting documents.
Assessing the carrying value of inventory and advances/deposits paid towards land procurement (as described in notes 7(a), 10(a) and 13 of the Standalone Ind AS financial statements)	
<p>As at March 31, 2019, the carrying value of the inventory of real estate projects is Rs.4,500.63 crores and land advances/deposits of Rs.218.25 crores.</p> <p>The inventories are carried at the lower of cost and Net Realisable Value (NRV). The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs.</p> <p>Deposits paid under joint development arrangements, in the nature of non-refundable amounts, are recognised as land advance under other assets and on the launch of the project, the same is transferred as land stock under inventories. Further, advances paid by the Company to the seller/ intermediary towards outright purchase of land is recognised as land advance under other assets during the course of transferring the legal title to the Company, whereupon it is transferred to land stock under inventories.</p> <p>The aforesaid deposits and advances are carried at the lower of the amount paid/payable and net recoverable value, which is based on the management's assessment including the expected date of commencement and completion of the project and the estimate of sale prices and construction costs of the project.</p>	<p>Our procedures in assessing the carrying value of the inventories/land advances/deposits included the following:</p> <ul style="list-style-type: none">- We read and evaluated the accounting policies with respect to inventories/land advances/deposits- We assessed the Company's methodology applied in assessing the carrying value under the relevant accounting standards, on sample basis.- We obtained and tested the computation involved in assessment of carrying value including the net realisable value/ net recoverable value on test check basis.- We compared the realisable/recoverable amount of the asset to the carrying value in books on test check basis.- We made inquiries with management to understand key assumptions used in determination of the net realisable value/ net recoverable value on test check basis.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
We identified the assessment of the carrying value of inventory and land advances/deposits as a key audit matter due to the significance of the balance to the Standalone Ind AS financial statements as a whole and the involvement of estimates and judgement in the assessment.	
<u>Compliance with repayment terms of borrowings</u> (as described in note 20 of the Standalone Ind AS financial statements)	
<p>The Company has significant borrowings as it is the key source of funds taken to finance its various real estate development projects as well as for general corporate purpose.</p> <p>We consider compliance with repayment terms of borrowings as a key audit matter as this is a key consideration for appropriate classification of loan balances and relevant disclosures thereon in the Standalone Ind AS financial statements. Further, compliance with repayment terms is part of management's assessment of evaluating its gearing and liquidity profile.</p>	<p>Our procedures in relation to compliance with repayment terms of borrowings include the following:</p> <ul style="list-style-type: none">- Obtained an understanding of the process and testing the internal controls over timely repayment of borrowings on sample basis.- We tested the repayments of borrowings for a sample of transactions by reading the underlying contracts for repayments schedules, comparing the actual cash flows with the repayment schedules and tracing the amounts paid as per books of account to the bank statements of the Company.- Assessed the maturity profile of the borrowings to evaluate the classification and disclosure of borrowings on test check basis.- Compared, on a sample basis, the balances confirmed by the lenders with the balances as per the books of accounts.
<u>Assessing carrying value of Investments in subsidiary, associate and joint venture entities</u> (as described in note 6 of the Standalone Ind AS financial statements)	
<p>As at March 31, 2019, the carrying values of Company's investment in subsidiary, joint venture and associate entities amounted to Rs. 45.89 crores. Management reviews on a periodical basis whether there are any indicators of impairment of such investments.</p> <p>For investments where impairment indicators exist, management estimated the recoverable amounts of the investments, being higher of fair value less costs of disposal and value in use. Significant judgements are required to determine the key assumptions used in determination of fair value / value in use.</p> <p>As the impairment assessment involves significant assumptions and judgement, we regard this as a key audit matter.</p>	<p>Our procedures in assessing the impairment of the investment included the following:</p> <ul style="list-style-type: none">- We read and evaluated the accounting policies with respect to investment- We assessed the Company's methodology applied in assessing the carrying value under the relevant accounting standards.- We assessed the Company's valuation methodology applied and tested the computation involved in determining the recoverable amount on test check basis.- We compared the recoverable amount of the investment to the carrying value in books on test check basis.- We assessed the disclosures made in the Standalone Ind AS financial statements regarding such investments.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

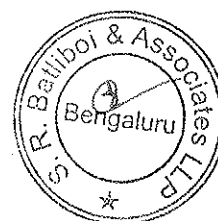
Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

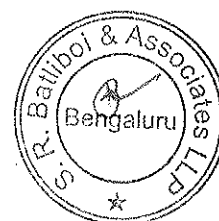
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and the other financial information as regards Company's share in losses of 3 partnership entities (2 limited liability partnership and 1 partnership firm) amounting to Rs.0.92 crores for the year ended March 31, 2019, and included in the accompanying standalone Ind AS financial statements. The financial statements of such partnership entities have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such partnership entities, is based solely on the report of other auditors. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

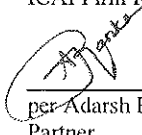


S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 36(c) to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

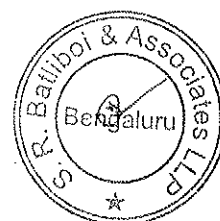

per Adarsh Ranka
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 18, 2019



**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE IND AS FINANCIAL STATEMENTS OF PURAVANKARA LIMITED**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.
- (b) All property, plant and equipment and investment property have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and based on the examination of the registered sale deed/transfer deed/registered joint development agreements provided to us, we report that, the title deeds of immovable properties included in property, plant and equipment, capital work-in progress and investment property are held in the name of the Company. Immovable properties of land and buildings whose title deeds have been pledged as security for term loans and guarantees, are held in the name of the Company based on confirmations received by us from lenders.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company has granted loans to fourteen companies and two limited liability partnership firms covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the Company's interest, having regard to management's representation that the loans are given to such parties considering the Company's economic interest and long-term trade relationship with such parties.
- (b) In respect of the loans granted to parties covered in the register maintained under Section 189 of the Companies Act, 2013, the loans and interest thereon are repayable as per the contractual terms. As per the contractual terms, the loans and interest thereon have not fallen due for repayment. Accordingly, there has been no default on the part of the parties to whom the money has been lent.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013, which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction activities and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues applicable to it though there has been a slight delay in a few cases in deposit of tax deducted at source, provident fund and professional tax.



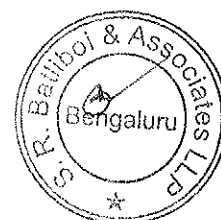
S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, goods and service tax, duty of custom and cess which have not been deposited on account of any dispute, are as follows:

Name of the Statue	Nature of dues	Amount demanded Rs. Crore	Amount paid under protest Rs. Crore	Period to which amount relates	Forum where the dispute is pending
The Karnataka Value Added Tax Act.	Value Added Tax	0.87	0.87	2005-2007	Deputy Commissioner of Commercial Taxes Department
The Karnataka Value Added Tax Act.	Value Added Tax	6.36	1.91	2011-2012	High Court, Karnataka
The Karnataka Value Added Tax Act.	Value Added Tax	0.48	-	2013-2015	Deputy Commissioner of Commercial Taxes Department
Karnataka Value Added Tax Act.	Value Added Tax	0.18	0.05	2012-2013	Joint Commissioner of Commercial Taxes Department Appeals
Chapter V of the Finance Act, 1994	Service Tax	8.86	0.01	2007-2009	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
Chapter V of the Finance Act, 1994	Service Tax	2.23	-	2002-2006	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
Chapter V of the Finance Act, 1994	Service Tax	29.57	0.46	2007-2017	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
Income-Tax Act, 1961	Income tax	10.26	-	2004-2006, 2009-2011	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income tax	27.04	-	2011-2014	Assistant Commissioner of Income Tax
Income-Tax Act, 1961	Income tax	15.16	-	2015-2016	Commissioner of Income Tax (Appeals)

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank or financial institution. The Company did not have any loans or borrowing from government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans (representing loans with a repayment period beyond 36 months) for the purposes for which they were raised. The Company has not raised any monies by way of initial public offer/ further public offer.



S.R. BATLIBOI & ASSOCIATES LLP

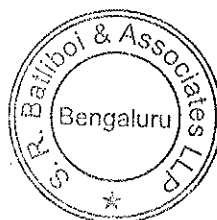
Chartered Accountants

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties read with note 39 of the standalone Ind AS financial statements are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934, are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Adarsh Ranka
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 18, 2019



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF PURAVANKARA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Puravankara Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

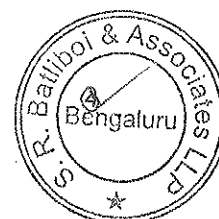
The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

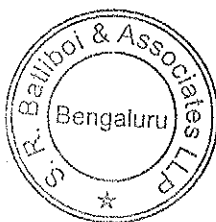
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Adarsh Ranka
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 18, 2019



Puravankara Limited
Standalone Balance Sheet as at March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

ASSETS

Non-current assets

- (a) Property, plant and equipment
(b) Capital work-in-progress
(c) Investment properties
(d) Intangible assets

(e) Financial assets

- (i) Investments
(ii) Loans
(iii) Other financial assets

(f) Deferred tax assets (net)

(g) Assets for current tax (net)

(h) Other non-current assets

Total non-current assets

Current assets

(a) Inventories

(b) Financial assets

- (i) Trade receivables
(ii) Cash and cash equivalents
(iii) Bank balances other than: (ii) above
(iv) Loans
(v) Other financial assets

(c) Other current assets

Total current assets

Total assets

EQUITY AND LIABILITIES

EQUITY

(a) Equity share capital

(b) Other equity

Total equity

LIABILITIES

Non-current liabilities

(a) Financial liabilities

- (i) Borrowings
(ii) Other financial liabilities

(b) Provisions

Total non-current liabilities

Current liabilities

(a) Financial liabilities

- (i) Borrowings
(ii) Trade payables:
(A) Total outstanding dues of micro enterprises and small enterprises
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises
(iii) Other financial liabilities

(b) Other current liabilities

(c) Provisions

Total current liabilities

Total equity and liabilities

Summary of significant accounting policies

Note March 31, 2019 March 31, 2018

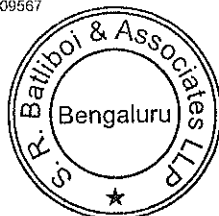
3	29.39	31.87
4A	33.42	33.25
4	61.61	63.75
5	3.33	3.11
6	45.89	43.37
7a	659.00	649.01
8a	19.87	26.10
12	201.78	39.02
9	35.18	20.67
10a	107.40	93.86
	<u>1,196.87</u>	<u>1,004.01</u>
13	4,500.63	3,447.19
14	119.67	166.20
15	77.33	80.38
16	0.19	0.16
7b	70.39	64.84
8b	11.06	328.43
10b	184.39	188.21
	<u>4,963.66</u>	<u>4,275.41</u>
	<u>6,160.53</u>	<u>5,279.42</u>
17	118.58	118.58
18	1,529.30	1,874.10
	<u>1,647.88</u>	<u>1,992.68</u>
20a	254.78	137.07
21a	14.11	10.27
22a	7.34	7.06
	<u>276.23</u>	<u>154.40</u>
20b	567.87	487.62
23	0.48	3.74
	311.65	279.33
21b	1,381.86	1,220.75
24	1,973.03	1,138.58
22b	1.53	2.32
	<u>4,236.42</u>	<u>3,132.34</u>
	<u>6,160.53</u>	<u>5,279.42</u>
2.2		

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

As per report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership no.: 209567



Bengaluru
May 18, 2019

For and on behalf of the Board of Directors of Puravankara Limited

Ashish R Puravankara
Managing Director
DIN 00504524

Kuldeep Chawla
Chief Financial Officer

Bengaluru
May 18, 2019

Nani R Choksey
Joint Managing Director
DIN 00504555

Bindu Doraiswamy
Company Secretary



Puravankara Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2019
 (All amounts in Indian Rs. Crore, unless otherwise stated)

	Note	March 31, 2019	March 31, 2018
Income			
Revenue from operations	25	1,471.91	885.60
Other income	26	64.13	104.96
Total		1,539.04	990.56
Expenses			
Sub-contractor cost		262.66	326.99
Cost of raw materials, components and stores consumed	27	44.51	42.62
Purchase of land stock		216.89	216.54
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	28	406.33	(73.01)
Employee benefits expense	29	83.66	72.67
Finance costs	30	238.01	181.91
Depreciation and amortization expense	31	9.69	8.78
Other expenses	32	145.69	127.07
Total expenses		1,407.44	903.57
Profit before tax		131.60	86.99
Tax expense	11		
Current tax		-	9.57
Deferred tax		39.83	0.19
Total tax expense		39.83	9.76
Profit for the year		91.77	77.23
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		(0.65)	(0.72)
(ii) Income tax relating to above		0.23	0.25
Total other comprehensive income		(0.42)	(0.47)
Total comprehensive income for the year (comprising profit and OCI)		91.35	76.76
Earnings Per equity Share ('EPS')			
(Nominal value per equity share Rs. 5 (March 31, 2018 : Rs.5))			
Basic (Rs.)		3.86	3.26
Diluted (Rs.)		3.86	3.26
Weighted average number of equity shares used in computation of EPS			
Basic - in numbers crores		23.72	23.72
Diluted - in numbers crores		23.72	23.72

Summary of significant accounting policies

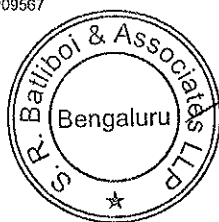
2.2

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

As per report of even date

For S.R. Batliboi & Associates LLP
 Chartered Accountants
 ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
 Partner
 Membership no.: 209567



Bengaluru
 May 18, 2019

For and on behalf of the Board of Directors of Puravankara Limited

Ashish R Puravankara
 Managing Director
 DIN 00504524

Kuldeep Chawla
 Chief Financial Officer

Bengaluru
 May 18, 2019

Nani R Choksey

Nani R Choksey
 Joint Managing Director
 DIN 00504555

Bindu
 Bindu Doraiswamy
 Company Secretary



Puravankara Limited
Standalone Statement of cash flow for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

(All amounts in Indian Rs. Crore, unless otherwise stated)	March 31, 2019	March 31, 2018	
A. Cash flow from operating activities			
Profit before tax	131.60	86.99	
Adjustments to reconcile profit after tax to net cash flows			
Depreciation and amortization expense	9.69	8.78	
Financial guarantee income	(1.86)	(1.92)	
Liabilities no longer required written-back	(26.69)	(3.88)	
Profit on sale of property, plant and equipment	(0.31)	(0.59)	
Profit on sale of investment property	(26.81)	(26.81)	
Dividend income on investments	(6.00)	(32.83)	
Share in profits/ (loss) of partnership firm investments (post tax)	0.91	1.18	
Finance costs	238.01	181.91	
Interest income	(24.44)	(53.51)	
Operating profit before working capital changes	294.10	159.32	
Working capital adjustments:			
(Increase)/decrease in trade receivables	46.53	126.37	
(Increase)/ decrease in inventories*	407.88	(75.86)	
(Increase)/ decrease in loans	(2.93)	(16.55)	
(Increase)/ decrease in other financial assets*	25.61	(78.59)	
(Increase)/ decrease in other assets*	9.05	(53.78)	
Increase/ (decrease) in trade payables	55.75	86.13	
Increase/ (decrease) in other financial liabilities	23.46	(0.32)	
Increase/ (decrease) in other liabilities*	(941.08)	44.10	
Increase/ (decrease) in provisions	(1.16)	(9.77)	
Cash (used in)/ received from operations	(82.79)	183.05	
Income tax paid (net)*	(14.51)	(10.50)	
Net cash flows (used in)/from operating activities	(97.30)	172.55	
* Also refer note 38.5 with regards to transition to Ind AS 115.			
B. Cash flows from investing activities			
Proceeds from sale of investment properties	35.60	-	
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(4.36)	(1.44)	
Purchase of intangible assets	(1.50)	(0.53)	
Proceeds from sale of property, plant and equipment	0.71	0.94	
Investments made in equity of subsidiaries and associates	(0.10)	(3.02)	
Advance towards investments	-	(15.00)	
Loans given to subsidiaries, associates and joint ventures	(346.48)	(348.77)	
Loans repaid by subsidiaries, associates and joint ventures	346.74	60.76	
Investment in bank deposits (original maturity of more than three months)	(38.04)	(2.11)	
Redemption of bank deposits (original maturity of more than three months)	29.27	7.51	
Dividend received	6.00	32.83	
Interest received	12.22	53.57	
Net cash flows from / (used in) investing activities	40.06	(215.26)	
C. Cash flows from financing activities			
Proceeds from secured term loans	1,139.28	525.91	
Repayment of secured term loans	(777.29)	(195.77)	
Repayments of unsecured term loans	46.00	-	
Loans taken from subsidiaries and associates	76.46	68.77	
Loans repaid to subsidiaries and associates	(128.93)	(110.56)	
Dividends paid (including taxes)	(45.71)	(57.48)	
Interest and other charges paid	(230.07)	(182.69)	
Net cash (used in)/from financing activities	79.74	48.19	
Net (decrease)/increase in cash and cash equivalents (A + B + C)	22.60	6.48	
Cash and cash equivalents at the beginning of the year	(73.89)	(79.37)	
Cash and cash equivalents at the end of the year (as per note 15 to the financial statements)	(51.39)	(73.89)	
Components of cash and cash equivalents	Notes	March 31, 2019	March 31, 2018
Cash and cash equivalents	15	77.33	80.38
Less: Cash credit facilities from banks (note 20)	20	(128.72)	(154.27)
Cash and cash equivalents reported in cash flow statement		(51.39)	(73.89)

Summary of significant accounting policies

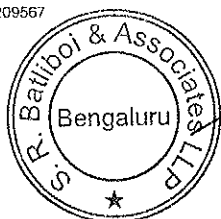
2.2

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

As per report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership no.: 209567



Bengaluru
May 18, 2019

For and on behalf of the Board of Directors of Puravankara Limited

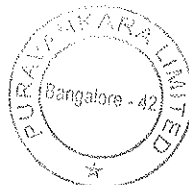
Ashish R Puravankara
Managing Director
DIN 00504524

Kuldeep Chawla
Chief Financial Officer

Bengaluru
May 18, 2019

Nani R Choksey
Joint Managing Director
DIN 00504555

Bindu Doraiswamy
Company Secretary



Puravankara Limited
Standalone Statement of changes in equity for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

A. Equity share capital

Particulars	As at 01 April 2017	Movement during 2017-18	As at March 31, 2018	Movement during 2018-19	As at March 31, 2019
Equity share capital of face value of Rs. 5 each fully paid 23.72 crore (March 31, 2018 - 23.72 crore) equity shares of Rs. 5 each fully paid	118.58	-	118.58	-	118.58
	<u>118.58</u>	<u>-</u>	<u>118.58</u>	<u>-</u>	<u>118.58</u>

Note: Also refer note 17

B. Other equity

Particulars	Reserves and surplus			Total
	Securities premium	General reserve	Retained Earnings	
Balance as at 1 April 2017	963.61	80.28	810.97	1,854.86
Profit for the year	-	-	77.23	77.23
Other Comprehensive Income	-	-	(0.47)	(0.47)
Total comprehensive income for the year	963.61	80.28	887.73	1,931.62
Dividends (including tax on dividend)	-	-	(57.52)	(57.52)
Balance as at March 31, 2018	963.61	80.28	830.21	1,874.10
Profit for the year	-	-	91.77	91.77
Other Comprehensive Income	-	-	(0.42)	(0.42)
Ind-AS 115 and Amendments to Ind AS 40 transition impact- refer note 38	-	-	(390.41)	(390.41)
Dividend (including tax on dividend)	-	-	(45.74)	(45.74)
Total comprehensive income for the year	963.61	80.28	485.41	1,529.30
Dividends (including tax on dividend)	-	-	-	-
Balance as at March 31, 2019	963.61	80.28	485.41	1,529.30

Notes:

- Also refer note 18
- As required under Ind AS compliant Schedule III, the Company has recognised re-measurement losses on defined benefit plans (net of tax) of Rs.0.42 crores (March 31, 2018: Rs.0.47 crores) as part of retained earnings.

Summary of significant accounting policies

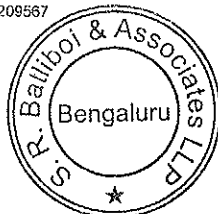
2.2

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

As per report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049WE300004

per Adarsh Ranka
Partner
Membership no.: 209567



Bengaluru
May 18, 2019

For and on behalf of the Board of Directors of Puravankara Limited

Ashish R Puravankara
Managing Director
DIN 00504524

Kuldeep Chawla
Chief Financial Officer

Bengaluru
May 18, 2019

Nani R Choksey
Joint Managing Director
DIN 00504555

Bindu Doraiswamy
Company Secretary



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

1. Corporate information

Puravankara Limited (the 'Company') was incorporated on June 3, 1986 under the provisions of the Companies Act applicable in India ("Act"). The registered office is located at 130/1, Ulsoor Road, Bengaluru 560042, India. The Company's shares are listed on two recognized stock exchanges in India namely National Stock Exchange of India Limited and BSE Limited. The Company is engaged in the business of real estate development.

The standalone Ind AS financial statements were authorized for issue in accordance with a resolution of the Board of Directors on May 18, 2019.

2. Significant accounting policies

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III). The standalone financial statements of the Company are prepared and presented in accordance with Ind AS.

The standalone financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

(b) Changes in accounting policies and disclosures

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below.

Ind AS 115 Revenue from Contracts with Customers and Amendments to Ind AS 40 Investment Property consequent to issuance of Ind AS 115, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing requirements of recognition of revenue and derecognition of investment property. The application of Ind AS 115 and Amendments to Ind AS 40 have impacted the Company's accounting for revenue from real estate projects and gain/loss arising from derecognition of investment property.

The Company has applied the modified retrospective approach to all contracts as of April 1, 2018 and has given impact of application of Ind AS 115 and Amendments to Ind AS 40 by debit to retained earnings as at the said date by Rs. 390.41 crores (net of tax). Accordingly, the comparatives have not been restated and hence not comparable with previous period figures. The impact of application of Ind AS 115 and Amendments to Ind AS 40 for the year ended March 31, 2019 is as detailed in note 38.

(c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

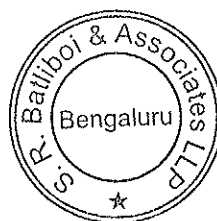
All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as four years for the purpose of current and non-current classification of assets and liabilities.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

(d) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

(e) Depreciation on property, plant and equipment and investment property.

Depreciation is calculated on straight line method using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013, except certain categories of assets whose useful life is estimated by the management based on planned usage and technical evaluation thereon:

Category of Asset	Useful lives (in years)	Useful lives as per Schedule II (in years)
Buildings	60	60
Plant, machinery and equipments:		
- Shutting materials	7	15
- Other plant, machinery and equipments	10	15
Furniture and fixtures	10	10
Computer equipment		
- Servers and networking equipments	6	6
- End user devices	3	3
Office equipment	5	5
Motor Vehicles	8	8

Leasehold improvements are amortised over the remaining period of lease or their estimated useful life (10 years), whichever is shorter on straight line basis.

The residual values, useful lives and methods of depreciation of property, plant and equipment and investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

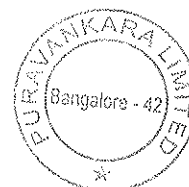
(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized using straight line method over a period of six years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when asset is derecognized.



(g) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized when the entity transfers control of the same to the buyer. Further the entity also derecognises investment properties when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

(h) Impairment

A. Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B. Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(i) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Company is lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, 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.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included under Investment property.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(j) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

(k) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i. Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii. Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.

iii. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv. Land stock: Valued at lower of cost and net realizable value.

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

(l) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories/ capital work in progress.

Land/ development rights received under joint development arrangements ('JDA') is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The amount of non-refundable deposit paid by the Company under JDA is recognized as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress/ capital work in progress. Further, the amount of refundable deposit paid by the Company under JDA is recognized as deposits under loans.

(m) Revenue recognition

A. Revenue recognition

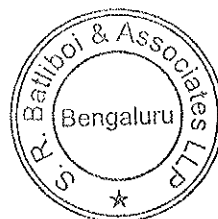
a. (i) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

Revenue from real estate development is recognised at the point in time, when the control of the asset is transferred to the customer.

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent.



The performance obligation in relation to real estate development is satisfied upon completion of project work and transfer of control of the asset to the customer.

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time using input method, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as discussed above.

(ii) Contract balances

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

(iii) Cost to obtain a contract

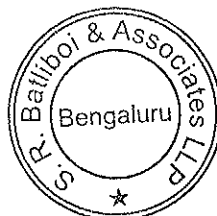
The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The Company incurs costs such as sales commission when it enters into a new contract, which are directly related to winning the contract. The asset recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

b. Lease income

The Company's policy for recognition of revenue from operating leases is described in note 2.2(i).

c. Share in profit/ loss of Limited Liability Partnerships ("LLPs") and partnership firm

The Company's share in profits from LLPs and partnership firm, where the Company is a partner, is recognised as income in the statement of profit and loss as and when the right to receive its profit/ loss share is established by the Company in accordance with the terms of contract between the Company and the partnership entity.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

B. Other Income

a. Interest income

Interest income, including income arising from other financial instruments measured at amortised cost, is recognised using the effective interest rate method.

b. Dividend income

Revenue is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

(n) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

i) 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 transaction.

ii) Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

(o) Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund and Employee State Insurance are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

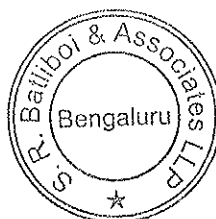
(p) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.



ii. Deferred income tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity) in correlation to the underlying transaction either in OCI or in equity.

(q) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

(r) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value at initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability, except for transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss which are immediately recognized in statement of profit and loss.

i. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

iii. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

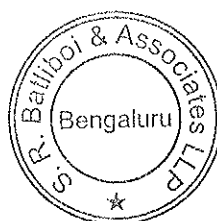
After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Investment in subsidiaries, joint ventures and associates

Investment in subsidiaries, joint ventures and associates are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.



Puravankara Limited

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

vii. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

viii. Financial liabilities at amortized cost

Financial liabilities are subsequently measured at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

ix. De-recognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(s) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

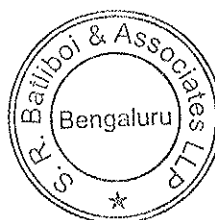
(t) Earnings Per Share

Basic earnings per share are 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. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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 dilutive potential equity shares.

(u) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



2.3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgments, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management makes judgement, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements.

The key judgements, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgements, assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

a) Identification of performance obligation

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent. In assessing whether performance obligations relating to sale of undivided share of land and constructed area are highly interrelated/ interdependent, the Company considers factors such as:

- whether the customer could benefit from the undivided share of land or the constructed area on its own or together with other resources readily available to the customer.
- whether the entity will be able to fulfil its promise under the contract, to transfer the undivided share of land without transfer of constructed area or transfer the constructed area without transfer of undivided share of land.

b) Timing of satisfaction of performance obligation

Revenue from sale of real estate units is recognised when (or as) control of such units is transferred to the customer. The entity assesses timing of transfer of control of such units to the customers as transferred over time if one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If control is not transferred over time as above, the entity considers the same as transferred at a point in time.

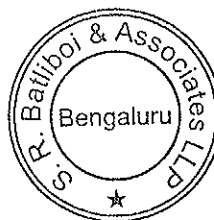
For contracts where control is transferred at a point in time the Company considers the following indicators of the transfer of control of the asset to the customer:

- When the entity obtains a present right to payment for the asset.
- When the entity transfers legal title of the asset to the customer.
- When the entity transfers physical possession of the asset to the customer.
- When the entity transfers significant risks and rewards of ownership of the asset to the customer.
- When the customer has accepted the asset.

The aforesaid indicators of transfer of control are also considered for determination of the timing of derecognition of investment property.

c) Accounting for revenue and land cost for projects executed through joint development arrangements ('JDA')

For projects executed through joint development arrangements, the Company has evaluated that land owners are not engaged in the same line of business as the Company and hence has concluded that such arrangements are contracts with customers. The revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Company under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.



d) Significant financing component

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

Classification of property

The Company determines whether a property is classified as investment property or inventory as below.

Investment property comprises land and buildings (principally office and retail properties) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These building/s are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Company develops and intends to sell before or during the course of construction or upon completion of construction.

Estimation of net realizable value for inventory and land advance

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to land inventory and land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

Defined benefit plans - Gratuity

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

Measurement of financial instruments at amortized cost

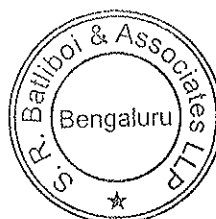
Financial instrument are subsequently measured at amortized cost using the effective interest ('EIR') method. The computation of amortized cost is sensitive to the inputs to EIR including effective rate of interest, contractual cash flows and the expected life of the financial instrument. Changes in assumptions about these inputs could affect the reported value of financial instruments.

Useful life and residual value of property, plant and equipment, investment property and intangible assets

The useful life and residual value of property, plant and equipment, investment property and intangible assets are determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimates the useful life and residual value are sensitive to the actual usage in future period.

Provision for litigations and contingencies

Provision for litigations and contingencies is determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimates the ultimate outcome of such past events and measurement of the obligation amount. Due to judgements involved in such estimation the provision is sensitive to the actual outcome in future periods.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

3 Property, plant and equipment

Particulars	Building	Plant and machinery	Office equipments	Computer equipments-end user devices	Computer equipments-servers and networking equipments	Furniture and fixtures	Vehicles	Shuttering material	Leasehold improvements	Total
Gross carrying amount at cost										
At April 1, 2017	6.94	11.46	3.43	2.26	1.57	3.21	6.73	2.38	12.97	50.95
Additions	-	0.00	0.10	0.26	0.26	0.32	0.50	-	-	1.44
Disposals	-	(0.84)	-	-	-	(0.12)	(0.01)	(0.11)	-	(1.08)
At March 31, 2018	6.94	10.62	3.53	2.52	1.83	3.41	7.22	2.27	12.97	51.31
Additions	-	0.05	0.17	0.37	0.02	0.02	3.40	-	0.15	4.19
Disposals	-	(3.16)	(0.03)	(0.85)	(0.03)	-	(1.52)	-	-	(5.60)
At March 31, 2019	6.94	7.50	3.68	2.04	1.82	3.43	9.10	2.27	13.12	49.90
Accumulated depreciation										
At April 1, 2017	0.41	2.86	1.82	0.92	1.00	0.81	1.33	0.52	3.14	12.81
Charge for the year	0.47	1.59	0.55	0.30	0.53	0.40	1.29	0.26	1.64	7.03
Adjustments for disposals	-	(0.34)	-	-	-	(0.06)	-	-	-	(0.40)
At March 31, 2018	0.88	4.11	2.37	1.22	1.53	1.15	2.62	0.78	4.78	19.44
Charge for the year	0.12	1.60	0.43	0.43	0.17	0.40	1.23	0.26	1.64	6.27
Adjustments for disposals	-	(2.96)	(0.03)	(0.79)	(0.03)	-	(1.39)	-	-	(5.20)
At March 31, 2019	1.00	2.74	2.77	0.86	1.67	1.55	2.46	1.04	6.42	20.51
Net block										
At March 31, 2018	6.06	6.51	1.16	1.30	0.30	2.26	4.60	1.49	8.19	31.87
At March 31, 2019	5.94	4.76	0.91	1.18	0.15	1.89	6.64	1.23	6.70	29.39

Notes:

a. Capitalized borrowing cost

There are no borrowing costs capitalized during the year ended March 31, 2019 and March 31, 2018.

b. Property, plant and equipment pledged as security

Details of assets pledged are as per note 20

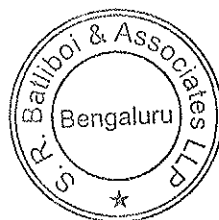
4 Investment properties

Particulars	Land	Building	Total
Gross carrying amount at cost			
At April 1, 2017	9.38	31.42	40.80
Additions	21.00	28.05	49.05
Disposals	(7.16)	(18.88)	(26.04)
At March 31, 2018	23.22	40.59	63.81
Adjustments pursuant to amendments to Ind AS 40 - refer note 38	7.16	18.88	26.04
Disposals	(7.16)	(18.88)	(26.04)
At March 31, 2019	23.22	40.59	63.81
Accumulated depreciation			
At April 1, 2017	-	1.47	1.47
Charge for the year	-	0.48	0.48
Disposals	-	(1.89)	(1.89)
At March 31, 2018	-	0.06	0.06
Adjustments pursuant to amendments to Ind AS 40 - refer note 38	-	1.89	1.89
Charge for the year	-	2.14	2.14
Disposals	-	(1.89)	(1.89)
At March 31, 2019	-	2.20	2.20
Net block			
At March 31, 2018	23.22	40.53	63.75
At March 31, 2019	23.22	38.39	61.61

Notes:

a. Information regarding income and expenditure of investment properties (including investment properties sold during the year)

	March 31, 2019	March 31, 2018
Rental income derived from investment properties	5.45	5.09
Direct operating expenses (including repairs and maintenance) generating rental income	(0.85)	(2.65)
Profit arising from investment properties before depreciation and indirect expenses	4.60	2.44
Loss : Depreciation	(2.14)	(0.48)
Profit arising from investment properties before indirect expenses	2.46	1.96



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

b. Fair valuation information

The fair valuations are based on valuations performed by an accredited independent valuer.

The Company has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements as at Balance Sheet date. The fair value of investment properties is based on discounted cash flows and classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs. There has been no change in valuation techniques used since prior years.

Reconciliation of fair value

	March 31, 2019	March 31, 2018
Opening balance	77.57	51.14
Adjustments pursuant to amendments to Ind AS 40 - refer note 38	26.04	-
Purchases/ additions	-	49.05
Disposals	(26.04)	(26.04)
Fair value changes, net	4.39	3.42
Closing balance	<u>81.96</u>	<u>77.57</u>

Description of valuation techniques used and key inputs to valuation of investment properties

Valuation technique used	Significant inputs	Range (weighted average)	
		March 31, 2019	March 31, 2018
Discounted cash flow (DCF) method (refer below)	Estimated rental value per sq.ft. per month (in Rs.)	48-55	45-55
	Rent growth p.a.	5.00%	5.00%
	Long-term vacancy rate	5.00%	5.00%
	Discount rate	13.27%	13.27%

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related sub-leasing, redevelopment, or refurbishment. The appropriate duration is typically driven by market behavior that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

c. Capitalized borrowing cost

There are no borrowing costs capitalized during the year ended March 31, 2019 and March 31, 2018.

d. Investment properties pledged as security

Details of investment properties pledged are as per note 20

4A Capital work in progress

	March 31, 2019	March 31, 2018
Opening balance	33.25	0.08
-Additions (subsequent expenditure)	0.17	-
-Capitalised during the year	-	(0.08)
-Transferred from inventory during the year	-	33.25
Closing balance	<u>33.42</u>	<u>33.25</u>

Note:

Capital work in progress pledged as security

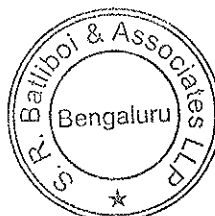
Details of capital work in progress pledged are as per note 20

5 Intangible assets

Particulars

Gross carrying amount at cost

	Computer software	Total
At April 1, 2017	6.19	6.19
Additions	0.53	0.53
Disposals	-	-
At March 31, 2018	<u>6.72</u>	<u>6.72</u>
Additions	1.50	1.50
Disposals	-	-
At March 31, 2019	<u>8.22</u>	<u>8.22</u>
Accumulated amortization		
At April 1, 2017	2.34	2.34
Charge for the year	1.27	1.27
Disposals	-	-
At March 31, 2018	<u>3.61</u>	<u>3.61</u>
Charge for the year	1.28	1.28
Disposals	-	-
At March 31, 2019	<u>4.89</u>	<u>4.89</u>
Net book		
At March 31, 2018	<u>3.11</u>	<u>3.11</u>
At March 31, 2019	<u>3.33</u>	<u>3.33</u>



Puravankara Limited

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

6 Non-current investments

March 31, 2019 March 31, 2018

Non-current investments - valued at cost unless stated otherwise

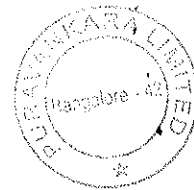
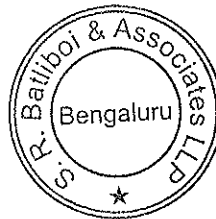
(A) Equity instruments (unquoted)

(i) Investment in subsidiaries (fully paid-up)

Prudential Housing and Infrastructure Development Limited	0.05	0.05
0.005 crore equity shares (March 31, 2018 - 0.005 crore) of Rs. 10 each		
Centurions Housing and Constructions Private Limited	0.00	0.00
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		
Melmont Construction Private Limited	0.01	0.01
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		
Purva Realities Private Limited	0.01	0.01
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		
Welworth Lanka Holding Private Limited	15.25	15.25
3.60 crore equity shares (March 31, 2018 - 3.60 crore) Rs.23.30 each (equivalent LKR 10) each		
Nile Developers Private Limited	0.34	0.34
0.01 crore equity shares (March 31, 2018 - 0.01 crore) of Rs. 10 each		
Vaigai Developers Private Limited	0.10	0.10
0.01 crore equity shares (March 31, 2018 - 0.01 crore) of Rs. 10 each		
Purva Star Properties Private Limited	0.01	0.01
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		
Purva Sapphire Land Private Limited	0.01	0.01
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		
Purva Ruby Properties Private Limited	0.01	0.01
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		
Grand Hills Developments Private Limited	0.01	0.01
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		
Starworth Infrastructure and Construction Limited	0.05	0.05
0.005 crore equity shares (March 31, 2018 - 0.005 crore) of Rs. 10 each		
Provident Housing Limited	0.05	0.05
0.005 crore equity shares (March 31, 2018 - 0.005 crore) of Rs. 10 each		
Varishtha Property Developers Private Limited	0.01	0.01
0.0001 crore equity shares (March 31, 2018 - 0.0001 crore) of Rs. 100 each		
Vagishwari Land Developers Private Limited	0.01	0.01
0.0001 crore equity shares (March 31, 2018 - 0.0001 crore) of Rs. 100 each		
Jaganmata Property Developers Private Limited	0.01	0.01
0.0001 crore equity shares (March 31, 2018 - 0.0001 crore) of Rs. 100 each		
Jyothishmati Business Centers Private Limited	0.01	0.01
0.0001 crore equity shares (March 31, 2018 - 0.0001 crore) of Rs. 100 each		
Purva Pine Private Limited	0.01	0.01
0.0001 crore equity shares (March 31, 2018 - 0.0001 crore) of Rs. 100 each		
Purva Oak Private Limited	0.01	0.01
0.0001 crore equity shares (March 31, 2018 - 0.0001 crore) of Rs. 100 each		
IBID Home Private Limited	0.01	0.01
0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each		

15.98

15.98



Puravankara Limited

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
(II) Investment in associates (fully paid-up)		
Propmart Technologies Limited	2.34	2.34
0.234 crore equity shares (March 31, 2018 - 0.234 crore) of Rs. 10 each fully paid-up		
Keppel Puravankara Development Private Limited	4.41	4.41
0.441 crore equity shares (March 31, 2018 - 0.441 crore) of Rs. 10 each fully paid-up		
Sobha Puravankara Aviation Private Limited	4.78	4.78
0.478 crore equity shares (March 31, 2018 - 0.478 crore) of Rs. 10 each fully paid-up		
B. Other investments (unquoted)		
Investment in limited liability partnerships		
Devas Global Services LLP (subsidiary)	0.10	-
Pune Projects LLP (net of accumulated share of losses of Rs.1.18 crores (March 31, 2018 - Rs.1.18 crores) (associate)	-	-
Investment in partnership firms (associate)		
Whitefield Ventures (including current account balance)	7.38	7.38
	19.01	18.91
C. Investments at amortized cost (unquoted)		
Investment in other equity of subsidiaries		
Starworth Infrastructure and Construction Limited	0.62	0.17
Provident Housing Limited	10.28	8.31
	10.90	8.48
Total Investments	45.89	43.37

Notes:

a) Aggregate amount of quoted investments actively traded and market value thereof

b) Aggregate amount of unquoted investments

c) Aggregate amount of impairment in value of investments

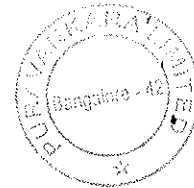
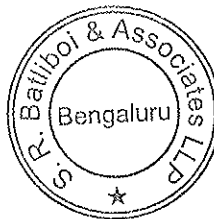
-

45.89

43.37

d) Details of investment in partnership firm

Name of the firm/partners	March 31, 2019		March 31, 2018	
	Capital	Profit sharing ratio	Capital	Profit sharing ratio
Whitefield Ventures				
Mr. B S Narayanan	0.95	0.50%	0.95	0.50%
Mrs. Geetha Sanjay Vhatkar	0.01	0.50%	0.01	0.50%
M/s Golfinks Software Park Private Limited	0.86	0.50%	0.86	0.50%
Puravankara Limited	7.38	42.00%	7.38	42.00%
M/s Embassy Property Developments Private Limited	0.11	6.75%	0.11	6.75%
Mr. K J Kuruvilla	0.18	10.00%	0.18	10.00%
Mrs. Suja George	0.18	9.75%	0.18	9.75%
Mr. Rana George	0.18	10.00%	0.18	10.00%
Mr. Karan Virwani	0.35	20.00%	0.35	20.00%
Total	10.20	100.00%	10.20	100.00%



Puravankara Limited

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

7 Loans

a Non current

Unsecured, considered good

Security deposits
Loans to subsidiaries (refer note 39)
Loans to other related parties (refer note 39)
Deposits under joint development arrangements*

March 31, 2019	March 31, 2018
8.35	8.07
503.66	508.82
0.01	0.01
146.98	132.11
<u>659.00</u>	<u>649.01</u>

* Advances paid by the Company to the landowner towards joint development of land is recognized as deposits since the advance is in the nature of refundable deposits. Includes an amount of Rs. 123.13 crores (March 31, 2018: Rs. 106.02 crores) which is outstanding for a period of more than 3 years and the management is confident of recovery/launch of these projects in the future.

b Current

(Unsecured, considered good)

Loans to joint ventures (refer note 39)

70.39	64.84
<u>70.39</u>	<u>64.84</u>
<u>729.39</u>	<u>713.85</u>

Loans and advances due by directors or other officers, etc.

Loans to subsidiaries, joint ventures and other related parties include

Due from Prudential Housing and Infrastructure Development Limited in which the Company's director is a director
Due from Purva Good Earth Properties Private Limited in which the Company's director is a director
Due from Grand Hills Developments Private Limited in which the Company's officer is a director
Due from Nile Developers Private Limited in which the Company's officer is a director
Due from Vaigai Developers Private Limited in which the Company's director is a director
Due from Starworth Infrastructure and Construction Limited in which the Company's director is a director
Due from Jaganmata Property Developers Private Limited in which the Company's officer is a director
Due from Provident Housing Limited in which the Company's director is a director
Due from Centurions Housing and Constructions Private Limited in which the Company's director is a director
Due from Purva Star Properties Private Limited in which the Company's director is a director
Due from IBID Home Private Limited in which the Company's officer is a director

March 31, 2019	March 31, 2018
1.87	1.87
0.01	0.01
0.02	0.02
14.58	14.49
11.51	11.51
39.85	39.92
32.06	29.23
91.17	217.11
-	1.45
5.10	-
4.36	0.32

8 Other financial assets

a Non current

Non-current bank balances (refer note 16)
Advance towards investment in LLP

March 31, 2019	March 31, 2018
19.87	11.10
-	15.00
<u>19.87</u>	<u>26.10</u>

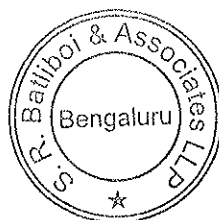
b Current

Unbilled revenue (refer note 38)
Receivable towards sale of investment property (Refer note 39)
Recoverables under joint development arrangement
Others

-	271.16
-	35.60
9.85	16.21
1.21	5.46
<u>11.06</u>	<u>328.43</u>

Other financial assets include receivable due from directors or other officers, etc.
Dues from Kenstream Ventures LLP in which Company's director is a Partner

March 31, 2019	March 31, 2018
-	35.60



Puravankara Limited

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
9 Assets for current tax (net)		
Advance income tax (net of provision for taxation Rs.191.43 crores (March 31, 2018, Rs.191.43 crores)	35.18	20.67
	35.18	20.67
10 Other assets		
a Non-current		
Deposits with government authorities		
Advances for land contracts*	8.28	8.28
Duties and taxes recoverable	71.27	73.32
Prepaid expenses	7.02	6.84
Other advances	16.90	1.48
	3.93	3.94
	107.40	93.86
b Current		
Advances to suppliers	154.29	149.15
Prepaid expenses	4.00	7.61
Duties and taxes recoverable	12.52	20.14
Other advances	13.58	11.31
	184.39	188.21
	291.79	282.07

* Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Company and the Company/ seller/ intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation. Includes an amount of Rs. 68.27 crores (March 31, 2018: Rs. 68.11 crores) which is outstanding for a period of more than 3 years and the management is confident of obtaining clear and marketable title in the future.

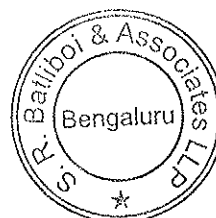
Advances given to directors or other officers, etc.

Advances to suppliers include

Advance to Purva Star Properties Private Limited in which the Company's director is a director

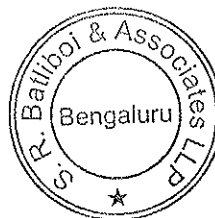
March 31, 2019 March 31, 2018

1.11



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
11 Income tax		
The major components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:		
Statement of profit and loss:		
Profit or loss section:		
Current tax:		
Current income tax charge	-	9.57
Deferred tax:		
Relating to origination/ reversal of temporary differences		
> Decrease/(increase) in deferred tax assets	43.47	(1.01)
> (Decrease)/increase in deferred tax liabilities	(3.64)	4.14
Others	-	(2.94)
	<u>39.83</u>	<u>0.19</u>
Income tax expense reported in the statement of profit and loss	<u>39.83</u>	<u>9.76</u>
OCI section:		
Deferred tax related to items recognised in OCI during the year:		
Income tax charge/(credit) relating to re-measurement gains/losses on defined benefit plans	(0.23)	(0.25)
Income tax charged to OCI	<u>(0.23)</u>	<u>(0.25)</u>
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting profit before income tax	131.60	86.99
Effective tax rate in India	34.944%	34.608%
Tax on accounting profit at statutory income tax rate [34.944% / 34.608%]	45.99	30.11
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of non-deductible expenses	0.46	0.95
Effect of exempt incomes	(2.10)	(17.02)
Long term capital gains taxed at lower rate	(4.69)	(4.69)
Others	0.17	0.41
Income tax expense	<u>39.83</u>	<u>9.76</u>
12 Deferred tax assets (net)		
Deferred tax asset arising on account of :	March 31, 2019	March 31, 2018
Impact of expenditure charged to the statement of profit and loss in a year but allowed for tax purposes in subsequent years	32.09	30.90
Carry forward of losses	90.69	-
Transition impact pursuant to adoption of Ind AS 115	62.18	-
MAT Credit entitlement	18.94	18.94
Others	5.06	-
	<u>208.96</u>	<u>49.84</u>
Less: Deferred tax liability arising on account of :		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(0.12)	(1.08)
Impact of financial assets and liabilities carried at amortized cost	(1.86)	(2.03)
Others	(5.20)	(7.71)
	<u>(7.18)</u>	<u>(10.82)</u>
Deferred tax assets (net)	<u>201.78</u>	<u>39.02</u>
Reconciliation of deferred tax assets	March 31, 2019	March 31, 2018
Net deferred tax asset at the beginning of the year	39.02	41.90
Transition impact pursuant to adoption of Ind AS 115	202.36	-
Tax income/(expense) during the year recognized in profit and loss	(39.83)	(0.19)
Tax income/(expense) during the year recognized in OCI	0.23	0.25
Others	-	(2.94)
Net deferred tax asset at the end of the year	<u>201.78</u>	<u>39.02</u>



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
 (All amounts in Indian Rs. Crore, unless otherwise stated)

13 Inventories	March 31, 2019	March 31, 2018
Raw materials, components and stores	7.81	9.36
Land stock	513.90	504.20
Work-in-progress	3,117.71	2,365.84
Stock of flats	861.21	567.79
	<u>4,500.63</u>	<u>3,447.19</u>

Note: Details of assets pledged are as per note no.20

14 Trade receivables	March 31, 2019	March 31, 2018
Unsecured, considered good		
Dues from related parties	1.45	37.74
Dues from others	118.22	128.46
	<u>119.67</u>	<u>166.20</u>

Note: Details of assets pledged are as per note no.20

Trade receivables include receivable due from directors or other officers, etc.		
Dues from Provident Housing Limited in which Company's director is a director	0.33	0.76
Dues from Pune Projects LLP in which Company is a Partner	0.28	1.98
Dues from IBID Home Private Limited in which an officer of the Company is a director	0.29	35.00
Dues from Purva Star Properties Private Limited in which Company's director is a director	0.08	-
Dues from Starworth Infrastructure and Construction Limited in which Company's director is a director	0.47	-

16 Cash and cash equivalents	March 31, 2019	March 31, 2018
Balances with banks		
in current accounts	77.20	80.25
Cash on hand	0.13	0.13
	<u>77.33</u>	<u>80.38</u>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:	March 31, 2019	March 31, 2018
Balances with banks		
In current accounts	77.20	80.25
Cash on hand	0.13	0.13
Cash and cash equivalents reported in balance sheet	77.33	80.38
Less - cash credit facilities from banks (note 20)	(128.72)	(154.27)
Cash and cash equivalents reported in cash flow statement	<u>(51.39)</u>	<u>(73.89)</u>

Note 1

Changes in liabilities arising from financing activities

(a) Borrowings (including current maturities):

Balance as at April 1, 2017	1,779.71
Add: Cash inflows	594.68
Less: Cash outflows	(308.33)
Add: Interest accrued during the year	181.91
Less: Interest paid	(182.69)
Others	(8.72)
Balance as at March 31, 2018	<u>2,058.56</u>
Add: Cash inflows	1,261.74
Less: Cash outflows	(906.22)
Add: Interest accrued during the year	238.01
Less: Interest paid	(230.07)
Others	1.24
Balance as at March 31, 2019	<u>2,423.26</u>

(b) Dividends payable (including taxes):

Balance as at April 1, 2017	0.12
Add: Dividend declared	57.52
Less: Dividend paid	(57.48)
Balance as at March 31, 2018	<u>0.16</u>
Add: Dividend declared	45.74
Less: Dividend paid	(45.71)
Balance as at March 31, 2019	<u>0.19</u>

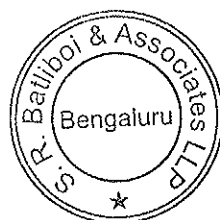
16 Bank balances other than cash and cash equivalents	March 31, 2019	March 31, 2018
Current		
Unpaid dividend account	0.19	0.16
	<u>0.19</u>	<u>0.16</u>
Non-current		
Margin money deposits	19.87	11.10
	<u>19.87</u>	<u>11.10</u>
Amount disclosed under non-current assets (refer note 8)	(19.87)	(11.10)
	<u>0.00</u>	<u>0.00</u>

Notes.

1) Margin money deposits represent earmarked bank balances restricted for use held as margin money for security against the guarantees and deposits which are subject to first charge to secure the Company's borrowings.

2) Unpaid dividend account represents bank balances which are restricted for use and it relates to unclaimed dividend.

3) As at March 31, 2019, the Company had available Rs.547.00 crores (March 31, 2018 Rs. 134.23 crores) of undrawn committed borrowing facilities.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
17 Equity share capital		
Authorized shares		
Equity share capital of face value of Rs. 5 each		
32.00 crore (March 31, 2018 - 32.00 crore) equity shares of Rs. 5 each	160.00	160.00
Issued, subscribed and fully paid-up shares		
Equity share capital of face value of Rs. 5 each		
23.72 crore (March 31, 2018 - 23.72 crore) equity shares of Rs. 5 each	118.58	118.58
	<u>118.58</u>	<u>118.58</u>

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

Equity shares

	March 31, 2019		March 31, 2018	
	No. in crore	Rs. crore	No. in crore	Rs. crore
Balance at the beginning of the year	23.72	118.58	23.72	118.58
Movement during the year	-	-	-	-
Outstanding at the end of the year	<u>23.72</u>	<u>118.58</u>	<u>23.72</u>	<u>118.58</u>

b. Terms/rights attached to equity shares

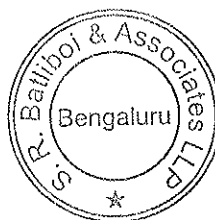
The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders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

	March 31, 2019		March 31, 2018	
	No. in crore	% holding in the class	No. in crore	% holding in the class
Equity shares of Rs. 5 each fully paid-up				
Ravi Puravankara	17.79	74.99%	17.79	74.99%

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.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
18 Other equity		
Reserves and surplus		
Securities premium		
Balance at the beginning of the year	963.61	963.61
Less: Adjustment made during the year	-	-
Balance at the end of the year	963.61	963.61
General reserve		
Balance at the beginning of the year	80.28	80.28
Add: Transferred from surplus in the statement of profit and loss	-	-
Balance at the end of the year	80.28	80.28
Retained earnings		
Balance at the beginning of the year	830.21	810.97
Ind AS 115 and Amendments to Ind AS 40 transition impact- refer note 38	(390.41)	-
Dividend (including dividend distribution tax) - refer note 19	(45.74)	(57.52)
Total comprehensive income for the year	91.35	76.76
Balance at the end of the year	485.41	830.21
Total other equity	1,529.30	1,874.10

Nature and purpose of reserves:

1. Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

2. General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

19 Distribution made and proposed

	March 31, 2019	March 31, 2018
Cash dividends on equity shares declared and paid		
Final dividend		
[Rs.1.60 per share for the year ended March 31, 2018]		
(March 31, 2018: Rs.2.25 per share for the year ended March 31, 2017)	37.94	53.36
Dividend distribution tax (DDT) on final dividend		
(not of credit of DDT paid by subsidiaries)	7.80	4.16
	45.74	57.52

Note: Details of proposed dividend on equity shares *

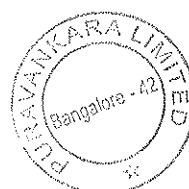
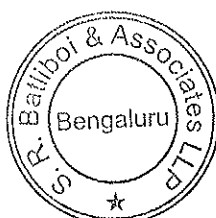
Proposed dividend		
[Rs.1 per share (March 31, 2018: Rs.Nil per share)]	23.72	-
Dividend distribution tax on proposed dividend	4.87	-

* Proposed dividends on equity shares represent dividend proposed by the Board of directors of the Company upto the date of approval of the financial statements for issue, which are subject to approval at ensuing annual general meeting and are not recognized as a liability (including DDT thereon) as at the balance sheet date.

20 Borrowings

	March 31, 2019	March 31, 2018
a Non-current borrowings		
Secured loans		
Term loans		
From banks	651.44	447.60
From others	949.17	693.81
	1,600.61	1,341.41
Amount disclosed under "Other current financial liabilities" (refer note 21b)	(1,345.83)	(1,204.34)
	254.78	137.07
b Current borrowings		
Unsecured		
Loans repayable on demand		
Loans from related parties	9.68	61.78
Term loans		
From others	66.00	0.00
Secured		
Loans repayable on demand		
Cash credit and other loan from banks	128.72	154.27
Other loans		
Term loans		
From banks	50.00	124.06
From others	313.47	147.51
	567.87	487.62
	822.65	624.69

Note 1: Amount of current borrowings repayable within twelve months is Rs.58.17 crores (March 31, 2018: Rs.111.72 crores)



Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

Note 2: Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are:

	March 31, 2019	March 31, 2018
Trade Receivables	83.63	151.79
Inventories	3,031.02	2,126.03
Vehicles	3.65	0.67
Investment property	-	31.53
Capital work-in-progress	33.42	-
Total assets pledged as security	3,151.92	2,310.02

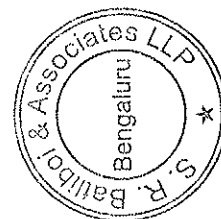
Note 3: Details of nature of security, guarantees given by directors and repayment terms of borrowings

Non-current borrowings

Category of loan	March 31, 2019	March 31, 2018	Effective interest rate	Maturity	Repayment details	Nature of security
Term loans from banks	89.53	306.23	10-11%	2022	24 instalments	1. Underlying project inventory and assignment of project receivables 2. Fund shortfall undertaken by the director of the Company towards funding of underlying projects/ working capital.
Term loans from banks	323.41	141.37	10-11%	2023 - 2024	12 to 36 instalments	Underlying project inventory and assignment of project receivables
Term loans from banks	225.85	-	10-11%	2024	36 instalments	1. Underlying project inventory and assignment of project receivables 2. Guarantee given by the subsidiary of the Company.
Term loans from banks	2.66	-	09-10%	2022	60 instalments	Vehicles
Subtotal	651.45	447.60				
Term loans from others	754.51	454.67	10-14%	2020-2024	24 to 36 instalments	Underlying project inventory and assignment of project receivables
Term loans from others	194.14	197.87	10-11%	2023	48 instalments	Underlying project inventory
Term loans from others	-	240.60	11-13%	2020	14 instalments	Underlying project inventory and assignment of project receivables and collateral security of investment property
Term loans from others	0.51	0.67	9-10%	2020-2023	36 to 60 instalments	Vehicles
Subtotal	949.16	893.81				
Total	1,600.61	1,341.41				

Current borrowings

Category of loan	March 31, 2019	March 31, 2018	Effective interest rate	Maturity	Repayment details	Nature of security
Term loans from banks	50.00	124.06	10-11%	2023	36 instalments	1. Underlying project inventory and assignment of project receivables
Subtotal	50.00	124.06				
Term loans from others	91.67	99.21	10-11%	2021	24 instalments	Underlying project inventory
Term loans from others	-	48.30	12-13%	2019	29 instalments	1. Underlying project inventory and assignment of project receivables 2. Fund shortfall undertaken by the director of the Company towards funding of underlying projects/ working capital.
Term loans from others	221.80	-	11-14%	2019 - 2022	5 - 9 instalments	1. Underlying project inventory and assignment of project receivables
Term loans from others	66.00	-	11-16%	2019	To be repaid in Sept 2019	Unsecured
Subtotal	379.46	147.51				
Cash credit and other loan from banks	49.11	104.30	10.50%	On demand	On demand	1. Underlying project inventory and investment property. 2. Personal guarantee of Directors of the Company
Cash credit and other loan from banks	79.61	49.97	10-11%	On demand	On demand	Underlying project inventory
Subtotal	128.72	154.27				
Loans from related parties	9.68	61.78	10-11%	On demand	On demand	Unsecured
Subtotal	9.68	61.78				
Total	567.87	487.62				



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
21 Other financial liabilities		
a Non-current		
Security deposits	14.11	10.27
	<u>14.11</u>	<u>10.27</u>
b Current		
Current maturities of long-term borrowings (refer note 20)	1,345.83	1,204.34
Other payables	36.03	16.41
	<u>1,381.86</u>	<u>1,220.75</u>
	<u>1,395.97</u>	<u>1,231.02</u>

Note 1: Amount of current maturities of non-current borrowings repayable within twelve months is Rs.165.43 crores (March 31, 2018: Rs.42.21 crores)

	March 31, 2019	March 31, 2018
22 Provisions		
a Non-current		
Provision for employee benefits		
Gratuity (refer note 40)	7.34	7.06
	<u>7.34</u>	<u>7.06</u>
b Current		
Provision for employee benefits		
Leave benefits	1.53	1.46
	<u>1.53</u>	<u>1.46</u>
Other provisions		
Provision for onerous contracts	-	0.86
	<u>1.53</u>	<u>2.32</u>
	<u>8.87</u>	<u>9.38</u>

	March 31, 2019	March 31, 2018
23 Trade payables		
Trade payable		
- Total outstanding dues of micro enterprises and small enterprises	0.48	3.74
- Total outstanding dues of creditors other than micro and small enterprises	219.11	187.12
Payable to related parties	92.54	92.21
	<u>312.13</u>	<u>283.07</u>

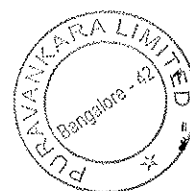
Disclosures of dues to Micro, Small and Medium enterprises

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

i. The principal amount remaining unpaid	0.48	3.74
ii. Interest due thereon remaining unpaid	-	-
iii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year)	-	-
v. The amount of interest accrued during the year and remaining unpaid.	-	-
vi. The amount of further interest remaining due and payable for earlier years	-	-

	March 31, 2019	March 31, 2018
24 Other current liabilities		
Deferred revenue	1,204.38	71.16
Statutory dues payable	8.53	4.81
Liability under joint development arrangement*	756.88	1,061.51
Unpaid dividend	0.18	0.16
Other payables	3.06	0.94
	<u>1,973.03</u>	<u>1,138.58</u>

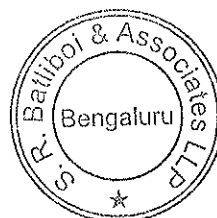
*Includes amount payable to landowners where the Company has entered into joint development arrangements with landowners for joint development of properties on land in lieu of which, the Company has agreed to transfer certain percentage of constructed area/ revenue proceeds, net of revenue recognised.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
25 Revenue from operations		
Revenue from contracts with customers		
Revenue from real estate development (refer note 38)	1,430.67	847.34
(A)	<u>1,430.67</u>	<u>847.34</u>
Other operating revenues		
Lease income	5.45	5.09
Profit on sale of investment property	26.81	26.81
Share in loss of partnership firm investments (post tax)	(0.91)	(1.18)
Others	9.89	7.54
(B)	<u>41.24</u>	<u>38.26</u>
(A)+(B)	<u><u>1,471.91</u></u>	<u><u>885.60</u></u>
26 Other income		
Interest on financial assets:		
Bank deposits	0.48	0.20
Security deposits	12.22	42.93
Loan to associates	5.54	8.01
Others	6.20	2.37
Profit on sale of property, plant and equipment	0.31	0.59
Dividend income on investments	6.00	32.83
Financial guarantee income	1.86	1.92
Provisions/ liabilities no longer required written-back	26.69	3.88
Others	7.83	12.23
	<u><u>67.13</u></u>	<u><u>104.96</u></u>
27 Cost of raw materials, components and stores consumed		
Inventories at the beginning of the year	9.36	13.02
Add: Purchases during the year	42.96	38.96
	<u>52.32</u>	<u>51.98</u>
Less: Inventories at the end of the year	7.81	9.36
Cost of raw materials, components and stores consumed	<u><u>44.51</u></u>	<u><u>42.62</u></u>
28 (Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress		
Inventories at the beginning of the year		
Land stock	504.20	675.93
Work-in-progress	2,365.84	2,204.42
Stock of flats	567.79	566.77
Less: Transition adjustments pursuant to Ind-AS 115 (refer note 38)	1,461.32	-
Less: Transferred to CWIP/ investment property	-	82.30
Inventories at the end of the year		
Land stock	513.90	504.20
Work-in-progress	3,117.71	2,365.84
Stock of flats	861.21	567.79
	<u><u>406.33</u></u>	<u><u>(73.01)</u></u>
29 Employee benefits expense		
Salaries, wages and bonus	80.53	69.39
Contribution to provident fund and other funds	2.12	2.42
Staff welfare	1.01	0.86
	<u><u>83.66</u></u>	<u><u>72.67</u></u>
30 Finance costs		
Interest on financial liabilities		
- Borrowings*	233.81	180.42
- Others	1.20	1.32
Bank charges	3.00	0.17
	<u><u>238.01</u></u>	<u><u>181.91</u></u>

* Gross of interest of Rs.210.26 crores (March 31, 2018: Rs.160.79 crores) inventorised to qualifying work in progress. The rate used to determine the amount of borrowing costs eligible for capitalisation is the effective interest rate of the underlying borrowings which is in the range of 9 to 16%.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

31 Depreciation and amortization expense

	March 31, 2019 [*]	March 31, 2018
Depreciation of property, plant and equipment (refer note 3)	6.27	7.03
Depreciation of investment properties (refer note 4)	2.14	0.48
Amortization of intangible assets (refer note 5)	1.28	1.27
	<u>9.69</u>	<u>8.78</u>

32 Other expenses

	March 31, 2019	March 31, 2018
Travel and conveyance	5.38	4.58
Repairs and maintenance		
- others	19.00	13.46
Legal and professional	26.64	25.27
Rent (refer note 36)	13.16	11.95
Rates and taxes	22.97	20.20
Security	7.15	10.09
Communication costs	2.17	2.03
Printing and stationery	1.73	1.74
Advertising and sales promotion	28.43	24.23
Brokerage costs	8.73	4.46
Exchange differences (net)	0.31	0.15
Corporate social responsibility expenses	0.32	2.43
Miscellaneous expenses	9.70	6.47
	<u>145.69</u>	<u>127.07</u>

Notes:

1. Payment to auditor (included in legal and professional charges) *

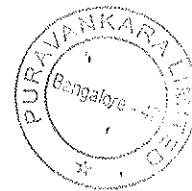
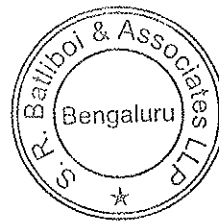
As auditor:

Audit fee	0.60	0.47
Other services	0.08	0.14
Reimbursement of expenses	0.02	0.02
	<u>0.70</u>	<u>0.63</u>

* Payment to auditors for the year ended March 31, 2018, includes fees paid to a firm of Chartered Accountants other than S.R.Batilboi & Associates LLP

2. Details of CSR expenditure:

	March 31, 2019	March 31, 2018
(a) Gross amount required to be spent during the year	1.45	1.97
(b) Amount spent		
Construction/acquisition of any asset	-	-
On purposes other than above	0.32	2.43
Total	<u>0.32</u>	<u>2.43</u>
(c) Balance amount unspent	1.13	-



33 Fair value measurements

The fair value of the financial assets and liabilities is determined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company does not have financial assets and liabilities carried at fair value.

Investment in subsidiaries, joint ventures and associates are carried at cost.

The management assessed that the carrying values of cash and cash equivalents, trade receivables, loans, trade payables, borrowings and other financial assets and liabilities (as listed below) approximate their fair values largely either due to their short-term maturities or because they are assets/liabilities carried at amortised cost and their amortised cost approximates their fair values.

Break up of financial assets carried at amortized cost	Notes	March 31, 2019	March 31, 2018
Loans	7	729.39	713.85
Trade receivables	14	119.67	166.20
Cash and cash equivalents	15	77.33	80.38
Bank balances other than cash and cash equivalents	16	0.19	0.16
Other financial assets	8	30.93	354.53
		<u>967.51</u>	<u>1,315.12</u>
Break up of financial liabilities carried at amortized cost	Notes	March 31, 2019	March 31, 2018
Borrowings	20	822.65	624.69
Trade payable	23	312.13	283.07
Other financial liabilities	21	1,395.97	1,231.02
		<u>2,530.75</u>	<u>2,138.78</u>

34 Financial risk management

The Company's principal financial liabilities, comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables, cash and bank balances and other receivables that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. Credit risk arises from cash and cash equivalents, trade receivables and deposits with banks and financial institutions.

Credit risk management

Other financial assets like bank deposits and other receivables are mostly with banks and hence, the Company does not expect any credit risk with respect to these financial assets.

With respect to trade receivables/ unbilled revenue, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss.

Expected credit loss for trade receivables under simplified approach

The recoverability of trade receivables is assured as the registration of sold residential/commercial units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated.

During the periods presented, the Company made no write-offs of trade receivables.

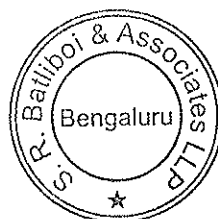
b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and also generating cash flow from operations.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows and maintaining debt financing plans.

The break-up of cash and cash equivalents and other current bank balances is as below:

	March 31, 2019	March 31, 2018
Cash and cash equivalents	77.33	80.38
Bank balances other than cash and cash equivalents	0.19	0.16
	<u>77.52</u>	<u>80.54</u>



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

March 31, 2019	On demand	Less than 1 year	1 year to 5 years	5 years and above	Total
Financial liabilities - non-current					
Borrowings*#	-	165.43	1,395.04	65.49	1,625.96
Security deposits	-	1.29	3.02	9.80	14.11
Financial liabilities - current					
Borrowings#	138.40	58.17	371.29	-	567.86
Trade payables	-	204.21	107.92	-	312.13
Other financial liabilities	-	1.57	34.46	-	36.03
March 31, 2018	On demand	Less than 1 year	1 year to 5 years	5 years and above	Total
Financial liabilities - non-current					
Borrowings*#	-	42.21	1,271.00	44.69	1,357.90
Security deposits	-	0.76	2.97	6.54	10.27
Financial liabilities - current					
Borrowings#	216.05	111.72	159.85	-	487.62
Trade payables	-	173.31	109.76	-	283.07
Other financial liabilities	-	1.86	14.55	-	16.40

* Includes current maturities of long-term borrowings

Gross of transaction costs

c. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in interest rate. The entity's exposure to the risk of changes in interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's net receivables or payables.

The Company is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit before tax is due to changes in the fair value of financial assets and liabilities.

Particulars	March 31, 2019	March 31, 2018
Interest rates – increase by 50 basis points (50 bps)	9.92	8.35
Interest rates – decrease by 50 basis points (50 bps)	(9.92)	(8.35)

Note: The above impact is gross of interest to be inventorised to qualifying assets.

35 Capital Management

The Company's objectives when managing capital are to maximise returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

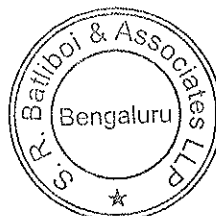
The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt comprises long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances. Total equity comprises equity share capital and other equity.

Particulars	March 31, 2019	March 31, 2018
Long term borrowings	254.78	137.07
Current maturities of long term borrowings	1,345.83	1,204.34
Short term borrowings	567.87	487.62
Less: Cash and cash equivalents	(77.33)	(80.38)
Less: Bank balances other than cash and cash equivalents	(0.19)	(0.16)
Net debt	2,090.96	1,748.49
Total equity	1,647.88	1,992.68
Gearing ratio*	1.27	0.88

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above-mentioned interest-bearing borrowing.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

*Gearing ratio has changed primarily on account of decrease in Equity, which is pursuant to recording of transition impact of adoption of Ind AS 115 and Amendments to Ind AS 40.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

36 Commitments and contingencies

a. Leases

Operating lease

Company as lessee

The Company has taken premises under cancellable and non-cancellable operating leases. These leases have life of upto ten years with renewal option and include a clause to enable upward revision of the lease rental on periodical basis.

Lease expense for cancellable and non-cancellable operating leases	March 31, 2019 13.16	March 31, 2018 11.95
--	-------------------------	-------------------------

Lease commitments under the non-cancellable operating leases as at the Balance Sheet date were as follows:

Particulars	March 31, 2019	March 31, 2018
a) Within one year	4.22	1.88
b) Later than one but not later than five years	11.69	0.13
c) Later than five years	-	-
Total	<u>15.91</u>	<u>2.01</u>

Company as lessor

The Company has entered into operating leases (cancellable and non-cancellable) on its investment property portfolio with varying lease terms of upto eighteen years and with escalation and renewal clauses. All leases include a clause to enable upward revision of the lease rental on periodical basis. The Company is also required to maintain the property over the lease term.

Lease income for cancellable and non-cancellable operating leases	March 31, 2019 5.45	March 31, 2018 5.09
---	------------------------	------------------------

Future minimum rentals receivable under non-cancellable operating leases are as follows:

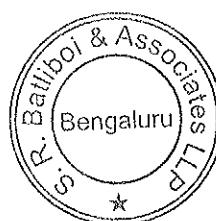
Particulars	March 31, 2019	March 31, 2018
a) Within one year	6.82	2.43
b) Later than one but not later than five years	14.50	4.55
c) Later than five years	0.57	0.91
Total	<u>21.89</u>	<u>7.89</u>

b. Other commitments

(i) As at March 31, 2019, the Company did not have any contracts remaining to be executed on capital account that were not provided for (March 31, 2018 - Rs. Nil).

(ii) As at March 31, 2019, the Company has given Rs.218.25 crores (March 31, 2018: Rs.205.43 crores) as advances/deposits for purchase of land/ joint development. Under the agreements executed with the land owners, the Company is required to make further payments and/or give share in area/ revenue from such development in exchange of undivided share in land based on the agreed terms/ milestones.

(iii) The Company is committed to provide financial support to some of its subsidiaries to ensure that these entities operate on going concern basis and are able to meet their debts and liabilities as they fall due.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

c. Contingent liabilities

	March 31, 2019	March 31, 2018
Claims against the company not acknowledged as debts		
- Value added tax	7.89	8.62
- Service tax	40.66	8.18
- Income tax	52.46	15.23
Guarantees given for subsidiary's borrowings from banks/ financial institutions	614.70	525.48
Others	-	0.33

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on provident fund dated February 28, 2019. As a matter of caution, the company has made a provision for provident fund on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject.

Other Litigations:

The Company and its wholly owned subsidiary are subject to certain ongoing litigations as below:

- legal proceedings initiated by the Company's vendor against the Company with a claim of Rs.12 crores and interest thereon, which is currently pending before the Supreme Court of India; and
 - legal proceedings initiated by a subsidiary company against its customer for recovery of receivables of Rs.15 crores and customer's counter claim of Rs.90 crores thereon, which is currently pending before the Arbitral Tribunal.
- Pending resolution of the aforesaid litigations, no provision has been made towards the vendor's claims on the Company and the resulting impact of customer's counter-claims on the subsidiary in the accompanying financial statements based on the legal opinion obtained by the management and the management's evaluation of the ultimate outcome of the litigations.

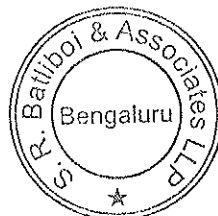
The Company is also subject to certain legal proceedings and claims, which have arisen in the ordinary course of business, including certain litigation for commercial development or land parcels held for construction purposes, either through joint development arrangements or through outright purchases, the impact of which is not quantifiable. These cases are pending with various courts and are scheduled for hearings. After considering the circumstances and legal evaluation thereon, the management believes that these cases will not have an adverse effect on the financial statements.

Note: The Company does not expect any reimbursement in respect of the above contingent liabilities and it is not practicable to estimate the timing of the cash outflows, if any, in respect of aforesaid matters and it is not probable that an outflow of resources will be required to settle the above obligations/claims.

37 Segmental information

The Company's business activities fall within a single reportable segment, i.e. real estate development. Hence, there are no additional disclosures to be provided under Ind-AS 108 - Segment information with respect to the single reportable segment, other than those already provided in the financial statements.

The Company is domiciled in India. The Company's revenue from operations from external customers relate to real estate development in India and all the non-current assets of the Company are located in India.



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

38 Revenue from contracts with customers:

The Company has adopted Ind AS 115 using the modified retrospective method and accordingly has provided the disclosures required by Ind AS 115 for the year ended March 31, 2019 and the comparative information has not been disclosed. Also refer note 2.3.

38.1 Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers, which is in agreement with the contracted price.

	March 31, 2019
Revenue from real estate development	
Revenue recognised at a point in time	1,357.65
Revenue recognised over time	73.02
Other operating revenue	41.24
	<u>1,471.91</u>

38.2 Contract balances

	March 31, 2019	April 1, 2018
Trade receivables	119.67	168.20
Contract liabilities - deferred revenue	1,204.38	1,846.13

Trade receivables are generally on credit terms of upto 10 to 30 days. The decrease in trade receivables is primarily on account of improvement in collection

Contract liabilities represents transaction price allocated to unsatisfied performance obligations. The outstanding balances of these accounts decreased primarily on account of timing of revenue recognition pursuant to adoption of Ind AS 115.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period 1,032.03

Revenue recognised in the reporting period from performance obligations satisfied in previous periods Nil

38.3 Performance obligations

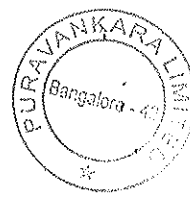
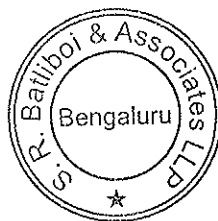
Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period **

Revenue to be recognised at a point in time	2,231.55
Revenue to be recognised over time	756.88

** The entity expects to satisfy the performance obligations when (or as) the underlying real estate projects to which such performance obligations relate are completed. Such real estate projects are in various stages of development and are expected to be completed in the coming periods of upto four years.

38.4 Assets recognised from the costs to obtain or fulfil a contract with a customer

	March 31, 2019	April 1, 2018
Inventories		
- Work-in-progress	575.63	528.55
- Stock of flats	419.54	1,088.45
Prepaid expenses (represents brokerage costs pertaining to sale of real estate units)	15.75	18.77



Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

38.5 The effect of adopting Ind AS 115 as at 1 April 2018 was as follows

1	Assets	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
	Investment properties	a	87.92	63.75	24.17
	Inventories	b	4,908.51	3,447.19	1,461.32
	Unbilled Revenue	b	-	271.16	(271.16)
	Other receivables		-	35.60	(35.60)
	Prepaid expenses	b	27.86	9.09	18.77
	Deferred tax assets	d	241.38	39.02	202.36
	Total assets		5,265.67	3,865.81	1,399.86
	Liabilities				
	Borrowings	a	639.99	624.69	15.30
	Current liabilities - contract liabilities	b	1,846.13	71.16	1,774.97
	Total liabilities		2,486.12	695.85	1,790.27
	Net debit to retained earnings				(390.41)

2 Impact on Profit and Loss for the year ended March 31, 2019

	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Income				
Revenue from operations	b	1,471.91	428.33	1,043.58
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	b	406.33	(245.44)	651.77
Other expenses	b	145.69	152.58	(6.89)
Profit before tax		131.60	(267.10)	398.70
Tax expense	c	39.83	(99.49)	139.32
Profit for the year		91.77	(167.23)	259.00
Impact on Earnings per share				
a. Basic - in Indian Rupees		3.86	(7.06)	10.92
b. Diluted - in Indian Rupees		3.86	(7.06)	10.92

3 Assets/Liabilities as at March 31, 2019

	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Non-current assets				
Deferred tax assets (net)		201.78	129.55	72.23
Current assets				
Inventories		4,500.63	3,505.46	995.17
Financial assets				
Other financial assets		11.06	502.00	(490.94)
Other current assets		184.39	174.89	9.50
Total assets		5,040.44	4,454.48	585.96
Current liabilities				
Other current liabilities		1,973.03	1,255.73	717.30
Total liabilities		1,973.03	1,255.73	717.30
Retained earning		1,529.30	1,660.64	(131.34)

Explanation of reasons for significant changes

- The Company had sold certain investment property and had recognised the gain on such sale during the year ended March 31, 2018. However, the said sale transaction does not meet the criteria for derecognition of investment property pursuant to the Amendments to Ind AS 40 read with Ind AS 115. Hence, the Company has recognised the Investment property amounting to Rs.24.17 crores and reversed the gain on such sale amounting to Rs.26.81 crores as at the transition date.
- The Company has deferred revenue and cost of sales as at April 1, 2018 with respect to contracts that do not meet the revenue recognition criteria under Ind AS 115. The same has resulted in recognition of contract liabilities and recognition of inventories as at April 1, 2018. Further the incremental costs of obtaining contracts with respect to which revenue has been reversed as above has been recognised as asset under Prepaid expenses.
- Represents tax effect of transitional adjustments made under Ind AS 115



Puravankara Limited
Notes to Financial Statements for the year ended March 31, 2018
All amounts in Indian Rs. Crores, unless otherwise stated.

39 Related party transactions

i Names of related parties and nature of relationship with the Company

- (i) **Subsidiaries**
- Prudential Housing and Infrastructure Development Limited
 - Centurion Housing and Construction Private Limited
 - Melmont Construction Private Limited
 - Purva Realities Private Limited
 - Welworth Lanka Holding Private Limited
 - Welworth Lanka Private Limited
 - Nile Developers Private Limited
 - Vaigai Developers Private Limited
 - Grand Hills Developments Private Limited
 - Purva Star Properties Private Limited
 - Purva Sapphire Land Private Limited
 - Purva Ruby Properties Private Limited
 - Starworth Infrastructure and Construction Limited
 - Provident Housing Limited
 - Jagamata Property Developers Private Limited
 - Jyotishmati Business Centers Private Limited
 - Vagishwari Land Developers Private Limited
 - Varishtha Property Developers Private Limited
 - Purva Pine Private Limited
 - Purva Oak Private Limited
 - IBID Home Private Limited
 - Provident Cedar Private Limited
 - Arden Properties Private Limited (until March 15, 2019)
 - Provident Meryta Private Limited
 - Devas Global Services LLP (with effect from July 30, 2018)
 - D.V. Intrihomes Private Limited (with effect from Oct 05, 2018)

(ii) Parties where control exists

Mr. Ravi Puravankara

(iii) Key management personnel (KMP)

a. Directors

- Mr. Ravi Puravankara
- Mr. Ashish R Puravankara
- Mr. Nani R Choksey
- Mr. R V S Rao
- Mr. Pradeep Guha
- Ms. Suchitra Misra (until July 27, 2018)
- Ms. Sonali Rastogi (with effect from October 26, 2018)

b. Other officers

- Kuldeep Chawla (Chief Financial Officer)
- Bindu Doraiswamy (Company Secretary)

(iv) Relatives of key management personnel

Ms. Geeta S Vhakar

(v) Entities controlled/significantly influenced by key management personnel (other related parties)

- Purva Developments
- Puravankara Investments
- Handiman Services Limited
- Kensstream Ventures LLP

(vi) Associates

- Keppel Puravankara Development Private Limited
- Propmart Technologies Limited
- Sobha Puravankara Aviation Private Limited
- Whitefield Ventures

(vii) Joint venture

- Pune Projects LLP
- Purva Good Earth Properties Private Limited (Joint Venture of Provident Housing Limited)



Puravankara Limited
Notes to Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupee Crores, unless otherwise stated)

25 Related party transactions (contd.)

3. Balances with related parties as on date are as follows

Nature of transaction	Subsidiaries		Associates / Joint venture		Key management personnel		Relatives of KMP		Other related parties	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans given to										
Purva Realities Private Limited	19.23	35.01	-	-	-	-	-	-	-	-
Melmont Construction Private Limited	119.38	127.84	-	-	-	-	-	-	-	-
Prudential Housing and Infrastructure Development Limited	1.87	1.87	-	-	-	-	-	-	-	-
Nile Developers Private Limited	14.56	14.49	-	-	-	-	-	-	-	-
Vaigai Developers Private Limited	11.51	11.51	-	-	-	-	-	-	-	-
Purva Good Earth Properties Private Limited	-	-	0.01	-	-	-	-	-	-	-
Purva Star Properties Private Limited	5.10	-	-	-	-	-	-	-	-	-
Purva Sapphire Land Private Limited	0.59	0.59	-	-	-	-	-	-	-	-
Purva Ruby Properties Private Limited	31.06	28.48	-	-	-	-	-	-	-	-
Grand Hills Developments Private Limited	0.02	0.02	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	39.85	39.92	-	-	-	-	-	-	-	-
Pune Projects LLP	-	-	70.39	-	-	-	-	-	-	-
Jaganmata Property Developers Private Limited	32.06	29.23	-	-	-	-	-	-	-	-
Provident Housing Limited	91.17	217.11	-	-	-	-	-	-	-	-
IBID Home Private Limited	4.36	0.32	-	-	-	-	-	-	-	-
Centurions Housing and Constructions Private Limited	-	1.45	-	-	-	-	-	-	-	-
Devas Global Services LLP	132.88	-	-	-	-	-	-	-	-	-
Loans taken from										
Centurions Housing and Constructions Private Limited	7.62	-	-	-	-	-	-	-	-	-
Provident Housing Limited	-	-	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	-	59.72	-	-	-	-	-	-	-	-
Puravankara Investments	-	-	-	-	-	-	-	-	-	-
Purva Developments	-	-	-	-	-	-	-	-	-	-
Advances for land contracts paid to										
Geeta S Vhatkar	-	-	-	-	-	-	-	-	-	-
Advances for land contracts received from										
Provident Housing Limited	28.00	28.00	-	-	-	-	-	-	-	-
Advances to suppliers										
Sobha Puravankara Aviation Private Limited	-	-	-	1.97	-	-	-	-	-	-
Security deposits and advance paid to										
Ravi Puravankara	-	-	-	-	2.21	-	-	-	-	-
Dues from										
Provident Housing Limited	0.94	0.76	-	-	-	-	-	-	-	-
Pune Projects LLP	-	-	0.28	-	-	-	-	-	-	-
Purva Star Properties Private Limited	-	1.11	-	1.98	-	-	-	-	-	-
IBID Home Private Limited	-	35.00	-	-	-	-	-	-	-	-
Kenstream Ventures LLP	-	-	-	-	-	-	-	-	-	-
Dues to										
Starworth Infrastructure and Construction Limited	32.09	17.69	-	-	-	-	-	-	-	-
Handiman Services Limited	-	-	-	-	-	-	-	-	-	-
Guarantees given by										
Ravi Puravankara	-	-	-	-	49.11	-	-	-	-	-
Ashish Puravankara	-	-	-	-	49.11	-	-	-	-	-
Guarantees given to										
Provident Housing Limited	574.63	452.16	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	-	54.62	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	40.07	18.70	-	-	-	-	-	-	-	-



Supplementary Information
 Management Discussion and Analysis: Management Discussion for the year ended March 31, 2019
 (All amounts in Indian Rupee Crores, unless otherwise stated)

35 Related party transactions (Contd.)

35. The transactions with related parties for the year are as follows:

Nature of transaction	Subsidiaries		Associates		Key management personnel		Relatives of KMP		Other related parties	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest income on loans	-	-	-	-	-	-	-	-	-	-
Pune Projects LLP	-	-	5.54	8.01	-	-	-	-	-	-
Interest expense on loans	0.42	1.26	-	-	-	-	-	-	-	-
Centurions Housing and Constructions Private Limited	1.99	4.44	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	-	-	-	-	-	-	-	-	-	-
Loans given to	-	-	-	-	-	-	-	-	-	-
Melmont Construction Private Limited	8.50	1.07	-	-	-	-	-	-	-	-
Purva Ruby Properties Private Limited	3.37	13.30	-	-	-	-	-	-	-	-
Nile Developers Private Limited	0.17	0.19	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	41.85	52.33	-	-	-	-	-	-	-	-
Provident Housing Limited	127.16	220.37	-	-	-	-	-	-	-	-
Pune Projects LLP	0.00	0.00	1.49	16.94	-	-	-	-	-	-
Jaganmata Property Developers Private Limited	2.85	34.18	-	-	-	-	-	-	-	-
Purva Realities Private Limited	9.80	7.22	-	-	-	-	-	-	-	-
Vaigal Developers Private Limited	0.06	0.07	-	-	-	-	-	-	-	-
Prudential Housing and Infrastructure Development Limited	0.01	0.02	-	-	-	-	-	-	-	-
Promart Technologies Limited	0.00	0.00	-	-	-	-	-	-	-	-
Purva Sapphire Land Private Limited	0.08	0.08	-	-	-	-	-	-	-	-
Centurions Housing and Constructions Private Limited	0.00	0.00	-	-	-	-	-	-	-	-
IBID Home Private Limited	4.07	0.32	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	11.00	-	-	-	-	-	-	-	-	-
Devas Global Services LLP	132.88	-	-	-	-	-	-	-	-	-
Loans repaid to	-	-	-	-	-	-	-	-	-	-
Provident Housing Limited	-	1.09	-	-	-	-	-	-	-	-
Centurions Housing and Constructions Private Limited	-	24.41	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	128.93	85.06	-	-	-	-	-	-	-	-
Loans taken from	-	-	-	-	-	-	-	-	-	-
Centurions Housing and Constructions Private Limited	7.25	7.70	-	-	-	-	-	-	-	-
Provident Housing Limited	-	0.14	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	69.21	60.93	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	-	-	-	-	-	-	-	-	-	-
Loans repaid by	-	-	-	-	-	-	-	-	-	-
Purva Sapphire Land Private Limited	0.08	-	-	-	-	-	-	-	-	-
Purva Realities Private Limited	26.58	-	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	4.11	-	-	-	-	-	-	-	-	-
Prudential Housing and Infrastructure Development Limited	0.01	-	-	-	-	-	-	-	-	-
Centurions Housing and Constructions Private Limited	1.45	-	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	41.92	13.52	-	-	-	-	-	-	-	-
Purva Ruby Properties Private Limited	0.76	0.14	-	-	-	-	-	-	-	-
Provident Housing Limited	253.10	3.27	-	-	-	-	-	-	-	-
Pune Projects LLP	-	-	1.48	31.83	-	-	-	-	-	-
Melmont Construction Private Limited	17.05	7.19	-	-	-	-	-	-	-	-
Nile Developers Private Limited	0.06	0.01	-	-	-	-	-	-	-	-
Vaigal Developers Private Limited	0.06	-	-	-	-	-	-	-	-	-
Jaganmata Property Developers Private Limited	0.02	4.85	-	-	-	-	-	-	-	-
Propman Technologies Limited	-	-	-	-	-	-	-	-	-	-
IBID Home Private Limited	-	-	-	-	-	-	-	-	-	-
Advance paid to	0.03	-	-	-	-	-	-	-	-	-
Sobha Puravankara Aviation Private Limited	-	-	6.40	3.27	-	-	-	-	-	-



39 Related party transactions (contd.)

III. The transactions with related parties for the year are as follows (contd.)

Nature of transaction	Subsidiaries		Associates / Joint venture		Key management personnel		Relatives of KMP		Other related parties	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Advances for land contracts paid	-	-	-	-	-	-	2.56	0.64	-	-
Geeta S Vhatkar	-	-	-	-	-	-	-	-	-	-
Advance for Allotment of Shares	-	2.15	-	-	-	-	-	-	-	-
Welworth Lanka Holding Private Limited	-	2.74	-	-	-	-	-	-	-	-
Investment in Shares	-	0.01	-	-	-	-	-	-	-	-
Welworth Lanka Holding Private Limited	-	-	-	-	-	-	-	-	-	-
IBID Home Private Limited	0.10	-	-	-	-	-	-	-	-	-
Devas Global Services LLP	-	-	-	-	-	-	-	-	-	-
Investment in other equity	1.98	-	-	-	-	-	-	-	-	-
Provident Housing Limited	0.46	-	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	-	-	-	-	-	-	-	-	-	-
Investment in Associates	-	-	-	7.38	-	-	-	-	-	-
Whitefield Ventures	-	-	-	-	-	-	-	-	-	-
Sub-contractor cost	-	-	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	81.80	64.52	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	1.11	6.86	-	-	-	-	-	-	-	-
Rental income	-	-	-	-	-	-	-	-	-	-
Provident Housing Limited	0.35	0.35	-	-	-	-	-	-	-	-
Dividend received	-	-	-	-	-	-	-	-	-	-
Centurions Housing and Constructions Private Limited	1.00	5.00	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	-	18.00	-	-	-	-	-	-	-	-
Provident Housing Limited	5.00	9.83	-	-	-	-	-	-	-	-
Reimbursement of expenses from	-	-	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	1.26	0.80	-	-	-	-	-	-	-	-
Income from administration charges	-	-	-	-	-	-	-	-	-	-
Pune Projects LLP	-	-	2.95	5.93	-	-	-	-	-	-
Security expenses	-	-	-	-	-	-	-	-	-	-
Handiman Services Limited	-	-	-	-	-	-	-	-	10.87	13.41
Rent	-	-	-	-	-	-	-	-	-	-
Sobha Puravankara Aviation Private Limited	-	-	1.13	1.45	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	2.21	4.14	-	-	-	-	-	-	-	-
Ravi Puravankara	-	-	-	-	3.63	3.46	-	-	-	-



39 Related party transactions (contd.)
The transactions with related parties for the year are as follows (contd.)

Nature of transaction	Subsidiaries		Associates / Joint venture		Key management personnel		Relatives of KMP		Other related parties	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Brokerage expenses	-	-	0.15	0.65	-	-	-	-	-	-
Propmart Technologies Limited	-	-	-	-	-	-	-	-	-	-
Travel and conveyance expenses	-	-	0.12	0.04	-	-	-	-	-	-
Sobha Puravankara Aviation Private Limited	-	-	-	-	-	-	-	-	-	-
Guarantees given by	-	-	-	-	-	-	-	-	-	-
Ravi Puravankara	-	-	-	-	-	-	-	-	-	-
Ashish Puravankara	-	-	-	-	-	-	-	-	-	-
Guarantees given on behalf of related party	-	-	-	-	-	-	-	-	-	-
Provident Housing Limited	483.28	256.25	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	21.37	18.70	-	-	-	-	-	-	-	-
Guarantees given on behalf of related party closed during the year	-	-	-	-	-	-	-	-	-	-
Provident Housing Limited	360.81	243.82	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	54.62	-	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	-	21.45	-	-	-	-	-	-	-	-
Remuneration - short term employee benefits (Employee benefits expense) *	-	-	-	-	-	-	-	-	-	-
Ravi Puravankara	-	-	-	-	2.52	1.93	-	-	-	-
Ashish R Puravankara	-	-	-	-	2.20	1.70	-	-	-	-
Nani R Choksey	-	-	-	-	2.20	1.85	-	-	-	-
Bindu Doraiswamy	-	-	-	-	0.19	0.18	-	-	-	-
Kuldeep Chawla	-	-	-	-	1.29	1.15	-	-	-	-
Professional charges (director's sitting fees and commission)	-	-	-	-	-	-	-	-	-	-
R V S Rao	-	-	-	-	0.17	0.19	-	-	-	-
Pradeep Guha	-	-	-	-	0.16	0.15	-	-	-	-
Suchitra Misra	-	-	-	-	0.06	0.19	-	-	-	-
Sonali Rastogi	-	-	-	-	0.06	-	-	-	-	-
Consideration from sale of investment property	-	-	-	-	-	-	-	-	-	-
Kenstream Ventures LLP (refer note 5 below)	-	-	-	-	-	-	-	-	-	-
Income from property development	-	-	-	-	-	-	-	-	-	-
IBID Home Private Limited (refer note 5 below)	-	35.00	-	-	-	-	-	-	-	35.60

* As the future liability for gratuity and leave benefits is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.



Purvaanaka Limited
Notes to Standalone and AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

3S Related party transactions (contd.)

IV. Other information:

1. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables, other than those disclosed above. The Company has not recorded any provision/ write-off of receivables relating to amounts owed by related parties.

2. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.

3. The Company has given loans to related parties and has provided guarantees on behalf of related parties for loans taken by them from third parties. Such loans are intended to be used by the related parties to fund their business operations.

4. Disclosure as per Schedule V(A) of the Securities and Exchange Board of India (Listing obligations and disclosure requirements) Regulations, 2015 of the loans, advances, etc. to subsidiaries, associates and other entities in which the directors are interested:

Name of the entity	March 31, 2019		March 31, 2018	
	Closing Balance	Maximum amount due	Closing Balance	Maximum amount due
Pune Projects LLP	70.39	70.39	64.84	85.52
Purva Realities Private Limited	19.23	36.01	36.01	36.01
Melmont Construction Private Limited	119.38	127.88	127.84	135.03
Prudential Housing and Infrastructure Development Limited	1.87	1.87	1.87	1.87
Purva Good Earth Properties Private Limited	0.01	0.01	0.01	0.01
Grand Hills Developments Private Limited	0.02	0.02	0.02	0.02
Purva Sapphire Land Private Limited	0.59	0.59	0.59	0.59
Purva Ruby Properties Private Limited	31.09	31.09	28.48	28.48
Nile Developers Private Limited	14.58	14.58	14.49	14.50
Vaizai Developers Private Limited	11.51	11.51	11.51	11.51
Starworth Infrastructure and Construction Limited	39.85	39.92	39.92	39.92
Jaganmata Property Developers Private Limited	32.06	32.06	29.23	29.23
Provident Housing Limited	91.17	290.41	217.11	217.86
IBID Home Private Limited	4.36	4.36	0.32	0.32
Purva Star Properties Private Limited	5.10	5.10	-	-
Devas Global Services LLP	132.88	132.88	-	-
Centurions Housing and Constructions Private Limited	-	-	1.45	1.45

5. On March 30, 2018, the Company had sold investment property (Purva Mall) for a consideration of Rs.35.60 Crores to Kenstream Ventures LLP. The Company had taken the Audit Committee approval of the transaction during the Audit Committee meeting held on May 05, 2018. Further, on March 31, 2018, the Company had sold Inventory (Purva Sunflower) for a consideration of Rs.35.00 Crores to IBID Home Private Limited. The Company had taken the Audit Committee approval of the transaction during the Audit Committee meeting held on May 11, 2018.

6. As at March 31, 2019, with respect to the Company's borrowings, the director of the Company has given fund shortfall undertaking towards funding of underlying projects/ working capital. Also refer note 20.

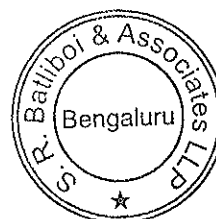


Puravankara Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rs. Crore, unless otherwise stated)

40 Defined benefit plan - Gratuity

A. The Company has gratuity as defined benefit retirement plan for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. As at March 31, 2019 and March 31, 2018 the plan assets were invested in insurer managed funds. The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial statements:

	March 31, 2019	March 31, 2018			
1 The amounts recognized in the Balance Sheet are as follows:					
Present value of the obligation as at the end of the year	16.40	14.73			
Fair value of plan assets as at the end of the year	(9.06)	(7.67)			
Net liability recognized in the Balance Sheet	<u>7.34</u>	<u>7.06</u>			
Non-current	7.34	7.06			
Current	-	-			
2 Changes in the present value of defined benefit obligation					
Defined benefit obligation as at beginning of the year	14.73	12.19			
Service cost	2.00	1.92			
Interest cost	1.13	0.88			
Actuarial losses/(gains) arising from					
- change in demographic assumptions	-	-			
- change in financial assumptions	-	(0.51)			
- experience variance (i.e. Actual experiences assumptions)	0.61	1.07			
Past service cost	-	-			
Benefits paid	(2.09)	(0.67)			
Others	0.02	(0.15)			
Defined benefit obligation as at the end of the year	<u>16.40</u>	<u>14.73</u>			
3 Changes in the fair value of plan assets					
Fair value as at the beginning of the year	7.67	4.87			
Return on plan assets	0.68	0.44			
Actuarial (losses)/gains	(0.03)	(0.16)			
Contributions	3.03	3.18			
Benefits paid	(2.09)	(0.67)			
Others	(0.20)	0.01			
Fair value as at the end of the year	<u>9.06</u>	<u>7.67</u>			
Assumptions used in the above valuations are as under:					
Discount rate	7.70%	7.70%			
Further Salary Increase	6.00%	6.00%			
Attrition rate	5.00%	5.00%			
4 Net gratuity and leave benefits cost for the year ended March 31, 2019 and March 31, 2018 comprises of following components.					
	March 31, 2019	March 31, 2018			
Service cost	2.00	1.92			
Net interest cost on the net defined benefit liability	0.45	0.44			
Interest cost	-	-			
Return on plan assets	-	-			
Defined benefit costs recognized in Statement of Profit and Loss	<u>2.45</u>	<u>2.36</u>			
5 Other Comprehensive Income					
	March 31, 2019	March 31, 2018			
Change in demographic assumptions	-	-			
Change in financial assumptions	-	(0.51)			
Experience variance (i.e. Actual experience vs assumptions)	0.61	1.07			
Return on plan assets, excluding amount recognized in net interest expense	0.03	0.16			
Defined benefit costs recognized in other comprehensive income	<u>0.64</u>	<u>0.72</u>			
6 Experience adjustments	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Defined benefit obligation as at the end of the year	16.40	14.73	12.19	10.24	10.79
Plan assets	9.06	7.67	4.87	0.99	1.89
Net surplus/(deficit)	7.34	7.06	7.32	9.25	8.90
Experience adjustments on plan liabilities	(0.61)	(1.07)	(0.07)	(0.62)	(0.14)
Experience adjustments on plan assets	(0.03)	(0.16)	0.57	(0.09)	0.13



B Sensitivity Analysis

A quantitative sensitivity analysis for significant assumption for Gratuity plan is as shown below:

	March 31, 2019		March 31, 2018	
Assumptions	Discount Rate		Discount Rate	
Sensitivity Level	(1.0%)	1.0%	(1.0%)	1.0%
Impact on defined benefit obligation (Rs. Crores)	1.44	(1.25)	1.34	(1.18)
% change compared to base due to sensitivity	8.8%	(7.6%)	8.1%	(7.9%)
Assumptions	Further Salary Increase		Further Salary Increase	
Sensitivity Level	(1.0%)	1.0%	(1.0%)	1.0%
Impact on defined benefit obligation (Rs. Crores)	(1.28)	1.45	(1.19)	1.35
% change compared to base due to sensitivity	(7.8%)	8.8%	(8.1%)	9.1%
Assumptions	Attrition Rate		Attrition Rate	
Sensitivity Level	(1.0%)	1.0%	(1.0%)	1.0%
Impact on defined benefit obligation (Rs. Crores)	(0.40)	0.26	(0.38)	0.25
% change compared to base due to sensitivity	(2.4%)	1.6%	(2.5%)	1.7%

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.
There is no change in the method of valuation for the prior period.

C Effect of Plan on Entity's Future Cash Flows

	March 31, 2019	March 31, 2018
a. Expected contributions to the plan asset for the next annual reporting period	3.00	3.00
b. Maturity profile of the defined benefit obligation		
Within the next 12 months	2.22	1.17
Between 2 and 5 years	5.02	5.76
More than 5 years	29.89	27.18
Total expected payments	37.13	34.11

41 Standards issued but not yet effective

The standards issued, but not yet effective up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards when they become effective.

a) Ind AS 116 Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Indian Accounting Standard (Ind AS) 116, Leases, which replaces Ind AS 17 Leases, including appendices thereto.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessors to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessors – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessors accounting under Ind AS 116 is substantially unchanged from existing accounting requirements under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

Either a full retrospective application or a modified retrospective application is required for accounting periods commencing on or after April 1, 2019.

The Company will adopt Ind AS 116 effective from April 1, 2019. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the said standard and the impact on its financial statements in the period of initial application.

b) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

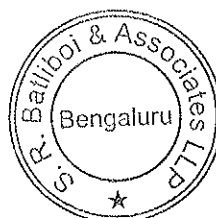
An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The Company will adopt the aforesaid standards effective from April 01, 2019. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the aforesaid standards and the impact on its financial statements in the period of initial application.

c) Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

The Company will adopt the aforesaid standards effective from April 01, 2019. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the aforesaid standards and the impact on its financial statements in the period of initial application.



d) Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The Company will adopt the aforesaid standards effective from April 01, 2019. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the aforesaid standards and the impact on its financial statements in the period of initial application.

e) Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The Company will adopt the aforesaid standards effective from April 01, 2019. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the aforesaid standards and the impact on its financial statements in the period of initial application.

f) Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised these past transactions or events.

The Company will adopt the aforesaid standards effective from April 01, 2019. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the aforesaid standards and the impact on its financial statements in the period of initial application.

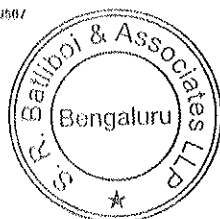
43 Unhedged foreign currency exposure

March 31, 2019	March 31, 2018
Nil	Nil

As per report of even date

For B.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E/300004

per Anandh R. Puravankara
Partner
Membership no. 209507



Bengaluru
May 18, 2019

For and on behalf of the Board of Directors of
Puravankara Limited

Anandh R. Puravankara
Managing Director
DIN 00504524

Nani R. Choksey
Joint Managing Director
DIN 00504555

Kuldeep Chawla
Chief Financial Officer

Bindu
Bindu Doraiswamy
Company Secretary

Bengaluru
May 18, 2019

